





## NEWS: INTERNATIONAL

# Madrid refuses to come clean on dirty war

By Tom Burns in Madrid

Spain's centre-right government yesterday drew a veil over the "dirty war" against the Basque terrorist organisation Eta that has plagued the previous Socialist administration of Mr Felipe González.

In its last meeting before the summer break, the cabinet of the prime minister, Mr José María Aznar, cited national security interests in ruling against declassifying secret service documents.

These had been requested by judges investigating the self-styled anti-terrorist liberation groups (Gali) which claimed responsibility for 27

deaths between 1983 and 1987 in south-west France, a safe haven at the time for Eta members.

The ruling, which came after heated cabinet discussions, is the most awkward and controversial one taken by the Aznar government since it took office three months ago. It represents a policy U-turn by the Popular party, which had criticised the Socialists for withholding information from the judges when it was in opposition.

The decision not to release the documents raises sizeable obstacles in the path of legal probes against senior members of the interior ministry appointed by Mr González as well as

high-ranking officers of the security services.

Judges investigating Gali are understood to possess documents - several of which have been leaked to the press - pointing to government involvement in the Gali death squads. The documents were allegedly written by the Cesid, Spain's intelligence service, but they cannot be used as evidence in court unless their authenticity is corroborated by examining Cesid's official files.

The documents that the judges are working with are believed to have been obtained from Colonel Juan Albero Perote, a former high-ranking Cesid officer who is being held in

custody on charges of stealing classified information from the intelligence service.

According to press reports, some of the documents implicate Mr González in the scandal.

The cover-up controversy was further fuelled by a court decision yesterday to release General Enrique Rodríguez Galindo, a highly-decorated former commandant of the main paramilitary civil guards barracks in the Basque country, who was remained in custody in May pending an investigation into the kidnapping, torture and death of two Eta suspects in 1983.

Gen Galindo was released without

hail but was ordered to report to the judicial authorities every week. The court ordered the continued custody of three civil guardsmen who served under Gen Galindo and are linked to the same investigation.

The Popular party government's stand was criticised by moderate Basque nationalists who fear that an official cover-up of the Gali death squads will encourage Eta's platform of separatist violence.

Mr Iñaki Anasagasti, parliamentary spokesman for the moderate Basque Nationalist party, said yesterday's developments damaged the state of law because they suggested that there was "a good and a bad terrorism".

## Magic Marne lures French car fleets

By Andrew Jack in Châlons-en-Champagne

For a city with one of the highest rates of car registration in the country, there does not appear to be an extraordinary number of parking places in Châlons-en-Champagne, capital of the Marne department in north-eastern France.

Nor is the Avis car rental office at the railway station of any notable size, even though by the end of this year it will have a massive 25,000 cars in its fleet carrying "51" as the two last digits on their number plates, signifying they come from Marne.

All across France, there has been an explosion in the number of cars bearing the same two magic numbers.

The reason is simple. When a government policy of decentralisation began to take effect Mr Albert Vecten, the centre-right president of the Marne assembly and a low-tax ideologue, acted swiftly to make Marne the cut-price vignette (car tax) capital of France. At first he proposed abolishing the vignette entirely. But when the French interior minister at the time protested, Mr Vecten tried to reduce it to a symbolic FF1.

Fearful of losing too much money, his colleagues in the assembly insisted on a slightly higher level. But as other regions, including nearby Paris, have put up prices and word of the Marne's persistently low tariffs has spread, registrations have soared.

There were 30,000 in the first three months of this year, the same number as for the whole of 1995.

Individuals are legally obliged to buy vignettes in the department in which they live, but companies simply have to register locally and have no obligation to employ staff or keep cars in the region.

Since 1984, when Paris first allowed departmental assemblies to set their own vignette prices, Marne's charges have fallen 30 per cent to the lowest level in the country at FF278 (\$55.48) for a normal car, against the highest at FF694 in Cantal, while its revenues from the tax have remained unchanged at FF80m.

Car rental companies are delighted. Avis alone estimates it is saving FF6m a year.

But as word gets out that rental cars and the digits "51" are synonymous, not everyone will be so happy. The thinness of their gift was already beginning to show among many of the glamorous bronzed at the Cannes film festival earlier this year, when observers noticed how frequently the final two digits on the plates of their expensive open-top cars were 51.

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## Italy outraged as war crimes trial backfires

By Robert Graham in Rome

The war crimes trial of former German SS officer Eric Priebe in Italy has badly backfired.

It was meant to provide the occasion for a national catharsis, purging the memory of one of the most painful episodes during the second world war, the "Ardeatine Massacre", a reprisal execution of 335 civilians in 1944 during the closing stages of the German occupation of Rome. Instead all the old wounds have been reopened.

The public had been led to believe the 63-year-old Nazi officer would be found guilty for his acknowledged involvement in the massacre and would receive a life sentence. Because of his age he would then be allowed out of jail on house arrest with justice done and the brutal killings duly respected.

Unfortunately, Thursday's sentence by a Rome military court upset this scenario. The court found him responsible but applied the extenuating circumstance that he was obeying orders and that the crime was therefore beyond the statute of limitations, allowing him to be freed from jail.

The subsequent storm of public outrage, fully endorsed by the centre-left government, led to his immediate re-arrest. It has also ensured the sentence will be appealed and turned the Priebe case into a question of national honour, with Mr Romano Prodi, prime minister, making a late-night visit to the site of the massacre, a grim set of caves off Rome's ancient Appian Way.

Matters are further complicated by Germany's imminent request for Priebe's extradition to stand trial on similar charges. Regardless of the legal

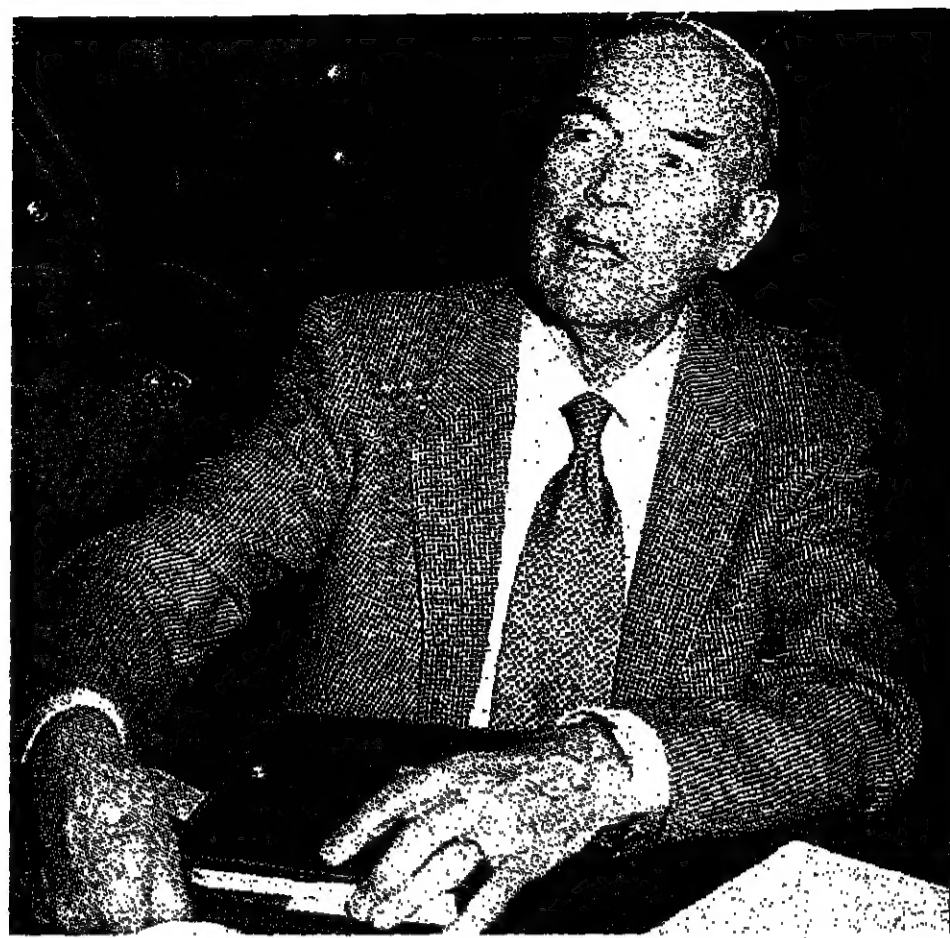
niceties of whether such extradition is possible, it would be a great humiliation for the Italians to hand over Priebe to German justice for a massacre that is regarded as Italy's symbol of innocent suffering during the second world war.

The Ardeatine massacre occurred as the German army was extremely nervous about the impact of the Allied landings at Anzio on the beaches south of Rome. It was provoked by partisans blowing up a convoy killing 33 people, mostly elderly Italian policemen. This was the first big act of sabotage in Rome, then an open city, and the German high command feared a popular uprising. Hitler ordered immediate reprisals, executing 50 Italians for every person killed.

This cruel ratio was reduced to 10 for one, with victims taken from political prisoners and Jews awaiting deportation. However, the total number executed was 335, five extra. Priebe - acting under SS commander Herbert Kappler - was responsible for checking the lists and personally shot two persons. Both Kappler and Priebe were arrested in 1945 but Priebe escaped, eventually reaching Argentina.

Kappler was put on trial with five of his men for the massacre. In 1948 a Rome military court in a complex judgment found that the partisans had acted illegally in planting the bomb, that the reprisal was in part justified and that Kappler was obeying orders. He was however given life imprisonment for the murder of five persons since these were "extra" to the 10-for-one reprisal ratio. (They were apparently killed because they were witnesses to the mass killings).

In 1977 Kappler was able to escape from his Italian hospital



'I've lived all this time with it weighing on my heart, but it was a legitimate reprisal' - Priebe

in an operation that had the air of political convenience, as his continued presence in Italy had become an irritant in Italo-German relations.

No attempt was made to find Priebe, although he was living in the Argentine mountain resort of Bariloche under his own name and had visited Italy on at least two occasions.

Indeed, the authorities' attitude from the 1950s onwards towards war criminals was to let sleeping dogs lie. None of the parties involved wanted to unearth uncomfortable facts that might show either the divisions within the resistance movement, the degree of popular indifference to the German

occupation, the level of support for fascism or the extent to which the Vatican might have been involved if he had been tried along with Kappler in 1948. Unlike France and Germany, Italian law applies a statute of limitations even to crimes against humanity.

Ms Barbara Spinelli, one of Italy's most penetrating analysts, wrote bitterly yesterday in La Stampa: "Italy has not only shown it is incapable of administering justice to Nazi war criminals. It has also shown itself incapable of understanding and judging after 52 years the totalitarian horrors that occurred in the first part of this century."

In pressing for extradition, the Italian authorities appear to have given insufficient

study to the legal problems involved in the trial of a war criminal who might well have been absolved if he had been tried along with Kappler in 1948. Unlike France and Germany, Italian law applies a statute of limitations even to crimes against humanity.

Ms Barbara Spinelli, one of Italy's most penetrating analysts, wrote bitterly yesterday in La Stampa: "Italy has not only shown it is incapable of administering justice to Nazi war criminals. It has also shown itself incapable of understanding and judging after 52 years the totalitarian horrors that occurred in the first part of this century."

## Germany may seek extradition of Priebe

By Judy Dempsey in Bonn

The German government yesterday said it was considering a request by state prosecutors to seek the extradition from Italy of Mr Eric Priebe, the former SS captain rearrested hours after a military court ruled he could not be punished because of a statute of limitation.

The request by prosecutors from the city of Dortmund, north-east of Bonn, was passed on to the federal justice ministry, which has 40 days to make a

formal application for Mr Priebe's extradition.

"I expect the German government to apply for Priebe's extradition from Italy," said Mr Bernhard Böhm, justice ministry spokesman.

He said that if the request was successful, Mr Priebe would stand trial in a German court, although under European law he could not be tried for the same charges as those levelled against him in Italy.

The German justice ministry said it was unclear whether Italy would

extradite Mr Priebe, since an Italian prosecutor's appeal against the verdict is pending.

In addition, Argentina, where Mr Priebe had lived since 1948, had agreed to hand him over to the Italian authorities in 1995 on condition that no other countries would demand his extradition. Mr Böhm said the justice ministry had already contacted the Argentine authorities on this issue. It was awaiting a reply.

Mr Priebe was rearrested on a temporary detention order after his trial in

Italy following notice from Germany that prosecutors there intended to seek his extradition for two killings.

In Italy military prosecutor Antonio Intemario said: "Priebe is being held in precautionary detention... we are waiting for that request to be formalised."

However the Italian authorities were choosier when asked if an extradition request would be complied with speedily. "I'm not making any predictions," Italian Justice Minister Giovanni Maria Flick said.

## A cruise too far for angry Greeks

Seamen's unions protest at UK-owned ship in the Aegean, says Kerin Hope

In the heyday of Greek tourism, cruise passengers were greeted by cheerful islanders offering flowers. Today's welcome party for the Marco Polo, a UK-owned cruise ship due to dock in Piraeus, will be a Greek coastguard unit in military fatigues, with orders to protect its 850 passengers from local protesters.

The 22,000-ton Marco Polo is at the centre of a dispute with the Panhellenic Federation of Seamen's Unions (PNO) over the terms on which foreign vessels operate in Greek waters. The union made a point of staging protest demonstrations each time the Marco Polo put in earlier this summer at the southern Greek port of Nauplion.

The union is concerned that if foreign cruise ships expand their presence in the Aegean market, Greek cruise companies will cut costs in order to remain competitive. The first move, the PNO claims, would be to slash wages for "hotel staff" - cabin stewards, waiters and kitchen staff - who earn much less on foreign-flag vessels.

Mr Yannis Chelias, PNO's president, says: "It's a question

of unfair competition. The Filipinos who work on foreign ships like the Marco Polo make one-quarter of a Greek salary and rely on tips to boost their earnings. We already have about 1,000 unemployed hotel staff among our members, whose chances of getting another job are receding fast."

Greece's cruise industry is protected by cabotage regulations, which ban foreign operators from embarking or disembarking passengers at Greek ports. However, international companies can make calls at Greek ports provided the cruise starts or finishes outside Greece.

Despite the restrictions on foreign competition, Greece's own cruise industry is in difficulties. The dozen elderly Greek-flag cruise vessels operating in the Aegean cannot offer facilities comparable to those on ships like the Marco Polo, which underwent an \$80m refit at a Greek yard in preparation for joining the market.

One reason for the Greek cruise companies' problems is the high cost of labour, especially the large numbers of "hotel staff" needed to cater for passengers. Under Greece's

tight labour laws, local cruise companies are obliged to employ Greek stewards and waiters and provide them with benefits and allowances that compare with those of hotel employees ashore.

An Athens-based analyst said: "Successful Greek cruise operators have built large new luxury ships and now concentrate on the Caribbean market."

### Hard hit at home, top Greek operators are concentrating on the Caribbean

"There has been virtually no investment in the Aegean, partly because cabotage restrictions have the effect of raising operating costs to uneconomic levels," he said.

The Marco Polo, owned by Orient Lines and flying a Baha-

mas flag, has an international crew that includes both Greek engine-room staff and Filipino stewards.

Like several of the 16 international cruise ships operating in Greek waters, the ship offers one- and two-week cruises between Greece and Turkey. But the Marco Polo has a higher profile than other vessels because it carries more passengers and calls more often at Greek ports.

Other Greek shipping unions have given unofficial backing to the PNO's attempts to disrupt the Marco Polo's operation.

Because of opposition from harbour officials and a strike by the pilots' union when it tried to dock in Piraeus during its first cruise in May, Orient Lines followed the shipping ministry's advice and diverted the ship to Nauplion, a small port 100km south of Athens.

Each time the Marco Polo tied up, scuffles broke out between demonstrators and the coastguard, while the Nauplion town council tried to rescue its reputation for hospitality by offering disembarking roses and free drinks.

Last week the council of state, Greece's highest court,

ruled that the Marco Polo was not violating cabotage rules and was entitled to dock at Piraeus. But the PNO says it will ignore both the ruling and an appeal from the shipping ministry for it to be respected and stage another protest today.

Mr Brian Stevenson, Orient's deputy chairman, says: "Discrimination against the Marco Polo obviously has a damaging impact on the whole of Greece's tourism industry. It's a shame, because the Aegean has enormous potential as a cruise market."

More than 560,000 visitors to Greece yearly take a summer cruise through the Aegean islands but the numbers have increased only marginally over the past decade, despite the growing popularity of cruise holidays worldwide.

Cruise passengers are welcomed on the Greek islands because they spend much more than other tourists, not just in bars and restaurants but on clothes and jewellery. The Greek state tourist organisation estimates that cruise passengers spend an average \$900 each in Greece compared with less than \$500 each for other tourists.

## INTERNATIONAL NEWS DIGEST

## Paris outlines Thomson sale

The French government yesterday confirmed that Thomson, the defence and consumer electronics group, would be privatised by a direct sale to trade buyers rather than be floated on the Paris bourse. Under the terms of the sale, which is due to be completed before the end of the year, the government will retain a "golden share" in the group, giving it the right to block the sale of any assets, including the defence subsidiary Thomson-CSF.

The government will also have a non-voting representative on the board, and will have to give approval of any shareholder which takes more than 10 per cent of the capital or voting rights.

The ministry of economics and finance said the sale would give Thomson "strategic and financial" room to manoeuvre and ensure its development. It named Mr Bernard Ducumlin, a member of the Conseil d'Etat, as an independent supervisor of the sale, which will also be scrutinised by the state privatisation commission. French telecoms company Alcatel and the Lagardère group, the defence to media conglomerate, are the leading contenders to acquire Thomson. *André Jack, Paris, and Bernard Gray, London*

### Mandela dragged into row

President Nelson Mandela was yesterday dragged into a row within South Africa's ruling African National Congress over allegations that the party accepted money for not pressing charges against a leading businessman. Mr Bantu Holomisa, sacked as a deputy minister from the government last week, alleged Mr Mandela told him that Mr Sol Kerzner, chairman and chief executive of Sun International, had agreed to give the ANC a R2m (\$444,000) donation before the 1994 general election.

Mr Mandela is alleged to have then told Mr Holomisa that, in return, Mr Kerzner hoped the ANC "could assist" with investigations against him for bribery.

Mr Holomisa, a former military ruler of the Transkei homeland, told the South African Press Association that he had no choice but to reveal this "privileged information" because the ANC had branded him a liar for earlier allegations he had made against senior members of the party. A spokesman for Mr Mandela yesterday rejected the accusation and Mr Kerzner said the claims "were outrageously false and not worthy of comment". *Roger Matthews, Johannesburg*

The South African rand steadied against the dollar yesterday after Mr Chris Stals, governor of the Reserve Bank, said international facilities amounting to R15bn (\$3bn) could be available to assist in the currency's defence. *Roger Matthews*

### Support fund for Thai market

Thai brokers will inject as much as Bt21bn (\$831m) into the country's stock market from next week through a special market support fund announced yesterday. Stock exchange members will contribute Bt10bn to the fund, the Thai Bankers Association will provide Bt5bn, sub-brokers will give Bt1bn and Bt5bn will be used from a previous support fund set up during the Mexican peso crisis.

Thai financial authorities had resisted the establishment of such a fund, saying it went against the long-term development of the Thai capital market. But unlike previous funds, such as one set up after a disgruntled investor shot himself in front of the exchange last November, the new fund is entirely private-sector initiative. *Ted Bardack, Bangkok*

### Washington in legislative flurry

The US Congress yesterday moved toward final passage of legislation raising the minimum wage and mandating expanded health insurance coverage, in a last-minute burst of activity designed to counter the charge that this has been a "do nothing" Congress.

The House was expected to finish its business by late last night, and the Senate by today, to permit lawmakers to return to their districts and campaign for what will be a hard-fought legislative race in November. The Republicans risk losing their House majority in the election.

The House yesterday passed an increase in the minimum wage from \$4.25 to \$5.15 an hour, along with \$31bn in tax breaks, mostly for business. Passage of the bill is seen as a triumph for Democrats, who championed it. The Senate was also expected to act yesterday on a bill to guarantee workers access to health insurance when they change jobs, even if they have pre-existing medical conditions. It was passed by the House on Thursday. Lawmakers also passed the welfare reform bill, which will now go to President Bill Clinton for his signature. On Thursday the House passed a Republican-sponsored measure to make English the official language of the federal government.

Meanwhile, the House last night moved toward a vote on a stripped down anti-terrorism bill, which excludes White House proposals for more wiretapping. It is unlikely the Senate will pass it before the recess. *Patti Waldmeir, Washington*

### Debré, former French PM, dies

Michel Debré, the former French premier who died yesterday aged 84, was one of the country's most influential post-war politicians. Born in 1912, the son of a doctor, he trained as a lawyer before fighting in the Resistance.

He met General de Gaulle while representing the state in Angers at the time of the liberation, and went on to serve him as minister of justice in 1958 before becoming prime minister in 1958-62, and then later in the 1960s minister of economics and finance and foreign minister.

Debré left national politics at the same time as Gen de Gaulle withdrew in 1969, while retaining his job as mayor of the town of Amboise and a deputy for the island of Réunion until the late 1980s. He was an unsuccessful presidential candidate in 1981.

"He was one of the fathers of our constitution, to whom our nation owes its stability and equilibrium," said President Jacques Chirac yesterday. "France has lost one of its greatest servants." *André Jack, Paris*

### German output surprises

Germany's industrial production rose by a surprisingly strong 0.6 per cent in June, according to the Federal Statistics Office, raising hopes of a robust economic rebound in the second quarter. The increase was underpinned by a strong performance by the manufacturing sector.

Although overall the rise was still lower than gains in the previous three months.

German economists remain cautious because of subdued business confidence and the recent rebound in the

D-Mark. Ifo, the economic institute, on Thursday forecast a rise in economic growth of 0.75 per cent for this year, followed by 2 per cent in 1997, underlining a consensus that the economic recovery will be slow initially.

Mr Holger Fabrikkrug, an economist at UBS Frankfurt, said: "This is no doubt a good release as such. But it is not consistent with other data. The question is, which do we believe? The Ifo business confidence index is down, unemployment is up, yet output is also up."

He said business confidence and industry's readiness to step up investment activity were closely related to the D-Mark's exchange rate against the dollar.

The 0.6 per cent increase in June was made up of a 0.4 per cent rise in west Germany and an 1.8 per cent gain in the east.

*Wolfgang Münchau, Frankfurt*

صكرا من الالاحل



# Cuba casts rogue financier into the dock

By Pascal Fletcher in Havana

During his 25 years on the run in the Caribbean as America's best-known financial fugitive, Mr Robert Vesco can little have imagined he would end up sitting in the dock of a Cuban court charged with fraud by the government of President Fidel Castro.

After all, it was Mr Castro's Cuba that gave the US-born financier safe haven from the reach of US courts, whose charges against him include indictments for international cocaine-trafficking and a \$224m embezzlement.

The crimes of which he is accused in Cuba seem less grandiose, even a disappointment for a man who built up a notorious reputation as a outlaw dealmaker always keeping

one step ahead of American lawmen in a trail that ran from Costa Rica to the Bahamas and, since 1982, Cuba.

On paper, it looks serious enough. Mr Vesco, now 60 and grey-haired, faces a possible 20-year jail term in Cuba on charges of "acts prejudicial to the economy, fraud and illegal economic activity".

But the story which emerged from the first day of his trial in Havana this week reads more like the misadventure of a big-talking, small-time con man than the dealings of a rogue financial wizard.

According to prosecution witnesses, Mr Vesco, who in Cuba lived under the name of "Tom Adams", lied about his connections with the Cuban leadership to bully Cuban health officials into approving

the production of a supposedly miraculous wonder drug, "TX", allegedly effective against cancer and Aids.

Mr Vesco's partner in the venture was his friend, Mr Donald Nixon Jr, nephew of the late US President Richard Nixon. Mr Nixon introduced the TX project to Mr Vesco, claiming the drug had cured his wife of cancer. "I brought it [to Cuba] because no one in the US would help me... everybody thought it was snake oil," Mr Nixon told reporters in Cuba last year when arrested with Mr Vesco. He was later freed and returned to the US.

As part of the Cuban case against his business partner, Mr Nixon, a former Cuban deputy health minister, and Switzerland are accusing him of duping them into pro-

viding financing for the TX project when in fact he had no real authorisation in Cuba to produce the drug. The sums allegedly involved range from \$150,000 to about \$400,000 - a far cry from the \$224m he is accused of swindling from his old company, the Swiss-based Overseas Investors Services.

Mr Vesco denies the Cuban charges. "I have never met the president of Cuba nor did I tell anyone that I had," he said in five hours of testimony.

Key prosecution witnesses contradicted him. "Each time we spoke... Tom Adams (Robert Vesco) said he had influence in the highest spheres of the nation," said Dr Jose Ignacio Golosch, a former Cuban deputy health minister.

Before his arrest at his Havana home in May last

year, Mr Vesco had a reputation for enjoying official high-level patronage and protection in Cuba. It was widely believed that, using his business contacts, he had been helping Cuba to circumvent the longstanding US economic embargo against the island.

His larger-than-life reputation received another boost when his arrest in 1993 touched off a storm of speculation, quickly quashed by President Castro, that Cuba would offer to extradite him to the US as a sweetener to improve tense relations.

The testimony of key prosecution witnesses so far reflects a keen desire on the part of the Cuban authorities to head off negative publicity that might harm the country's new opening to foreign investment,

especially in the promising but secretive biotechnology and pharmaceutical industries.

Many observers feel the trial will conceal more than it reveals. Among unanswered questions is how, if Cuba's health ministry ordered a halt to the TX project in December 1994, Mr Vesco was able to transfer the scientific work to a laboratory belonging to another state company, Labiofarm, reportedly headed by a nephew of Mr Castro.

Mr Vesco is the only foreigner who has given evidence in person. All of the others named, including Mr Nixon, are understood to have submitted written testimony. The only other defendant in the trial, is Mr Vesco's Cuban wife, Lydia Alfonso.

## Northern town of Maki could set tone for the country's debate

# Nuclear power referendum divides Japan

By Enriko Terazono in Tokyo

The small town of Maki has put itself at the centre of the country's political map. The residents of the northern Japanese town will tomorrow hold the country's first referendum on the construction of a nuclear reactor.

Nuclear power remains a controversial issue and a vote rejecting the reactor construction will increase pressure on the government to scale down its ambitious nuclear energy policy. It could also prompt a spate of similar polls and political campaigns in municipalities around the country.

Anti-nuclear sentiment has heightened since the leakage at Monju, the country's experimental reactor, late last year. Attempts by Monju's state-owned operator to conceal various facts related to the accident fuelled the distrust of the government and nuclear energy advocates.

Just over a third of Japan's energy consumption comes from nuclear power, and the government has indicated that it wants to raise the country's use of nuclear energy to 42 per cent by 2010.

However, the strength of anti-nuclear sentiment has forced some electric power utilities to withdraw plans to construct nuclear power facilities, and the pro-nuclear movement was relieved by the result last month in a mayoral election at Suzu, in western Japan, where a prominent environmentalist candidate was defeated.

The pro-nuclear camp, consisting of government officials, electric utility companies and supportive residents in the town of 30,000, held a meeting last week. "It has to be built somewhere, and the money the state gives us will be good for the town," said Mr Shunichi Yamazaki, a 55-year-old Maki resident who supports the construction.

For many of those who oppose the nuclear reactor, the referendum will end a 27-year struggle. Tohoku Electric announced the construction plan in 1969, but was forced to halt administrative paperwork in 1983 as land speculators and anti-nuclear groups bought small plots of land in the planned location.

"The government has used power and money to shut up the environmentalists," says Mr Masatoshi Nakamura, a resident leading the anti-nuclear camp, referring to episodes when riot police were brought in to remove demonstrators. "Once and for all we can settle this debate fairly."

Calls for a referendum reviewing the reactor project mounted in 1994 when Mr Kanji Sato, the mayor who had been elected on an anti-nuclear platform, indicated his support for the construction. Mr Sato resigned last December following a request for his recall accompanied by 10,331 signatures of residents, who then elected Mr Takaaki Sasaguchi, who was advocating a referendum.

Residents point out that the shift in the population, as Maki has transformed itself from a tight-knit fishing community to a dormitory town for the nearby city of Niigata, has made the referendum possible. The young residents are not bound by old relationships and values of the traditional community. "Before, people did what the town elders told them to do, but that has changed," says Mr Nakamura.

And although the pro-nuclear camp blames the referendum for splitting the town, other residents see it as a sign of democracy finally taking root. "Before there was a feeling that the whole household had to go along with what the husband decided. Now our individual voices can be heard," said one housewife.

## Moderates set to step in as Gen Mohamed Farah Aideed dies from gunshot wounds

# Somali warlord's death may spur end to civil war

By Michaela Wrang, Africa Correspondent

The gunman who last week shot General Mohamed Farah Aideed has done what 30,000 US troops failed to achieve during an embarrassing five-month manhunt: eliminate a ruthless warlord whose determination to rule Somalia has prolonged its civil war.

News that Somalia's self-styled "president", responsible for America's worst military humiliation since the Vietnam war, had died of his wounds marks the end of what became a showdown between one man and the US establishment.

Analysts were yesterday cautiously welcoming the news, predicting it could give stalled peace efforts between the country's clans new impetus.

"This could free up some space for clan elders who want to negotiate a constitutional settlement," said Mr Don Redding of Britain's Save the Children Fund. "Moderates who

went underground will once more be able to raise their heads and play a role."

Reports of Gen Aideed's death had been circulating since Friday last week, when a radio station belonging to Mr Ali Mahdi Mohamed, a rival warlord, said he had been hit during fighting in south Mogadishu's Medina district.

He was buried yesterday according to Muslim tradition, and leaders of the Habr-Gadhr sub-clan ordered 30 days of mourning.

Gen Aideed's determination to be sole ruler of Somalia appears to go back a long way.

As an army officer in post-independence Somalia, he was jailed on suspicion of plotting against President Mohamed Siad Barre. Reinstated as security adviser and then ambassador to India, he later formed a coalition of forces that routed Siad Barre in 1991.

But he sprang to international prominence when fighting between his faction and Mr Mahdi's brought famine to



The vacuum left by the death of Gen Aideed (left), who once had a \$25,000 price tag on his head, may trigger a power struggle

Somalia. Washington sent crack troops to hunt him down.

Five months later - after 18 US army rangers had died, with many of the corpses being dragged through Mogadishu's streets - the Clinton administration backed down and he emerged from hiding.

When the US departed in 1994, Gen Aideed and Mr Mahdi promised an end to war but fighting soon broke out again.

"The General" finally appears to have fallen victim to his own ambition. Last year's alienation of Mr Osman Ali Atto, his former financier, created a powerful enemy who joined forces with Mr Mahdi.

Although Gen Aideed won a big victory in September by capturing the town of Baldo, north-west of Mogadishu, he had over-extended himself. By April his fighters were on the defensive.

Gen Aideed made no attempt

to prepare a successor and there is no obvious candidate to replace him. The power vacuum may trigger a jostling for position but is expected to have a beneficial long-term effect by allowing clan elders browbeaten into submission to emerge from the shadows.

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## Differences remain despite semiconductor deal

# US-Japan insurance talks in deadlock

By Michio Nakamoto in Tokyo

The chances of future trade friction between Washington and Tokyo increased yesterday after talks over the liberalisation of Japan's insurance market broke down in Vancouver.

The two sides suspended negotiations with little progress made in narrowing their main differences.

They agreed to restart the talks when both are ready, but without a specific date for doing so. "We could not reach an agreement because our positions in several areas were too wide apart," a Japanese finance ministry official said yesterday.

Following the breakdown of talks, Mr Wataru Kubo, Japan's minister of finance, who had been in close contact with acting US Treasury Secretary, US trade representative, indicated that the government was prepared to allow Japanese life insurance companies to move into accident insurance in October and Mr Kubo stressed that the finance ministry could not indefinitely keep the life insurance companies' plans on hold.

"We want to find a solution as early as possible in light of the importance of approving third-sector products," he said. "We cannot ignore requests which are in line with domestic law."

"I requested resuming the talks soon, because Japanese insurers are expected to set up subsidiaries to enter the third-sector, but the US rejected the request and we agreed to have a cooling-off period," Mr Kubo said.



- Creates a council of industry organisations from Japan and the US (and other countries which have eliminated their tariffs)
- Creates a global government forum to discuss worldwide chip industry issues including tariffs, taxation and environmental rules
- Yearly meetings between US and Japanese officials to review trade and industry data collected by the private sectors

"radical change" in this sector. Japan counters that its proposed move does not constitute a breach of the agreement. Following an amendment to Japanese law, big Japanese life insurance companies are planning to set up subsidiaries to move into accident insurance in October and Mr Kubo stressed that the finance ministry could not indefinitely keep the life insurance companies' plans on hold.

"We want to find a solution as early as possible in light of the importance of approving third-sector products," he said. "We cannot ignore requests which are in line with domestic law."

"I requested resuming the talks soon, because Japanese insurers are expected to set up subsidiaries to enter the third-sector, but the US rejected the request and we agreed to have a cooling-off period," Mr Kubo said.

Mr Kubo emphasised that he hopes bilateral talks will resume within the month and that an agreement could be reached before Japanese life insurance companies establish subsidiaries to enter the third sector in October.

US President Bill Clinton and Mr Ryutaro Hashimoto, Japan's prime minister, had agreed to make efforts to resolve the insurance row by a self-imposed deadline of July 31.

In a bid to take the talks forward, Japan's ministry of finance proposed to deregulate the mail-order motor insurance market and allow different rates to be set - a move long sought by US industry.

However, the strong stance taken by both sides regarding the move of Japanese life insurance companies into the market for motor insurance, makes chance of a compromise agreement slim.

## Threat to peace as Israel signals settlement drive

By Avi Machlis in Jerusalem

Israel's hardline government yesterday took a first step towards expanding Jewish settlements in the West Bank and Gaza Strip, in a move which could undo efforts to relaunch the stalled Israeli-Palestinian peace process.

The Israeli cabinet decided to ease restrictions on expansion and construction of settlements, but stopped short of publishing firm settlement plans.

Mr Benjamin Netanyahu, prime minister and leader of the right-wing Likud party, said in a statement released after the meeting that the previous Labour-led government placed "chains and handcuffs" on Jewish settlement. "It is clear that we do not accept this situation," he said.

The decision was the first firm move by the new government towards implementing its policy of "consolidating and developing the settlement enterprise".

The previous government, headed first by the late Yitzhak Rabin and then by Mr Shimon Peres, which was committed to peace with Arabs on the basis of surrendering land conquered by Israel in the 1967 Arab-Israeli war, allowed the "natural expansion" of existing settlements.

According to the settler newspaper *Nekuda*, the number of settlers in the West Bank and Gaza expanded under Labour's tenure from 105,940 to 151,324.

Halting settlement activity is a fundamental Palestinian demand for continuation of the peace process. Under the 1993 Oslo peace accords, the Pal-

estine Liberation Organisation agreed that existing settlements would have their fate decided in "final status" talks started in May and set to run through 1999. These talks are now stalled while the new Israeli government and the self-governing Palestinian Authority force contacts.

Mr Ahmad Qorei, speaker of the Palestinian Legislative Council elected in January, said: "This is a very bad message from the Israeli government, that they don't want this process to work. The peace agreement will never be an umbrella for the Israeli government to use to continue its policy of building settlements and confiscating land."

Mr Yossi Beilin, formerly one of Labour's chief peace negotiators, said: "An ideology that intends to expand the settlements and perhaps build new ones is behind this procedural decision." He warned that if this was the government's policy, "it will make the peace process almost impossible to continue".

Mr Yair Hirschfeld, an Israeli academic who opened the initial contacts leading to the 1993 Oslo breakthrough, said this week that a Labour-PLO agreement reached just before the May 28 elections would have allowed Israel to annex 10 per cent of the West Bank - containing 70 per cent of existing settlers.

Reuter adds from Jerusalem: A Palestinian was shot dead and several others were wounded yesterday during a riot by families of Arab inmates held in a PLO prison in the West Bank town of Tul-karm. Palestinian security officials and witnesses said.

## IMF agrees economic package with Egypt

By Sean Evers in Cairo

Egypt and the International Monetary Fund have finally agreed in principle on an economic policy reform package, according to officials close to the negotiations.

The agreement, reached after four rounds of talks since March, is expected to come into effect before the Novem-

ber Middle East and North Africa economic summit.

The IMF's attempt to complete the first review of the 1995 extended fund facility (EFF) agreement reached an impasse in July 1994. The government refused to devalue the Egyptian pound, which the IMF saw as essential to stimulate exports and make a prerequisite for any deal.

Talks resumed earlier this year with the implicit understanding that devaluation was off the agenda. The two sides abandoned their attempts to review the old EFF agreement and focused instead on a new programme.

The Egyptian government is keen to secure an agreement with the IMF before the November summit. This will

pave the way for the Paris Club of creditors to write off a third and final tranche of sovereign debt worth about \$4bn, agreed in principle after the 1990-91 Gulf crisis.

In January, President Mubarak appointed a new cabinet headed by Mr Kamal el-Ganzouri, prime minister, with a mandate to push ahead with long-delayed structural economic reform, centred on privatisation and deregulation.

Since May, the government has accelerated privatisation, and for the first time started selling majority stakes in state companies. Mr Ganzouri announced last week that 39 more state companies would be privatised before the end of the year, with a total estimated value of \$1bn.

### WEEKEND BUSINESS

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#### LEGAL NOTICES

In the High Court of Justice, No 98/961 of 1996  
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Companies Court  
IN THE MATTER OF CR (UK) LIMITED  
and  
IN THE MATTER OF THE COMPANIES ACT 1985  
NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice, Chancery Division dated 24th July, 1996 confirming the reduction of the capital of the above named Company from £450,000.00 to £250,000.00 and the Minutes approved by the Court showing with respect to the capital of the Company as altered the several particulars required by the above mentioned Act were registered by the Registrar of Companies on 7th July, 1996.  
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London EC2N 3DB  
Solicitors for the above named Company

In the High Court of Justice, No 98/189 of 1996  
Chancery Division  
Companies Court  
IN THE MATTER OF THE COMPANIES ACT 1985  
NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice, Chancery Division dated 10th July, 1996 confirming the reduction of the capital of the above named Company from £2,000,000.00 to £2,497,250.00 and the Minutes approved by the Court showing with respect to the capital of the Company as altered the several particulars required by the above mentioned Act were registered by the Registrar of Companies on 16th July, 1996.  
Shahmorad and May (MGNM)  
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## NEWS: UK

# The Civil Aviation Authority is considering scrapping project planned for Scotland Threat to £200m air traffic centre

By Michael Skapinker,  
Aerospace Correspondent

The Civil Aviation Authority is considering scrapping plans to build a £200m (£312m) air traffic control centre in Scotland, a project that is to be funded by the UK government's private finance initiative.

If the centre at Prestwick, Strathclyde, is not built, air traffic in the UK and across the Atlantic will mostly be handled by the CAA's £350m centre at Swanwick, Hampshire, which is expected to open at the end of next year.

The authority confirmed yesterday that it was reviewing various options for air traffic control, including the decision to build a Scottish centre.

The CAA has been strongly opposed to the idea of financing the centre under the PFI, the government's flagship scheme to encourage private companies to undertake public-sector capital expenditure.

Although the centre would be staffed by the CAA subsidiary, National Air Traffic Services, PFI finance would mean that a consortium of private companies would build, equip and own it. The authority is worried that it could have problems persuading private

sector owners to invest sufficiently in equipment.

It is also concerned that private ownership could lead to a fragmentation of computer systems.

The CAA stressed it remained committed to controlling air traffic from both Swanwick and Prestwick but said it had to look at other options. Air traffic technology was advancing, it said, and it had to examine whether having two centres was in the interests of its customers - the airlines.

Air traffic over England and Wales is at present controlled from West Drayton, near London's Heathrow airport. This function will be transferred to Swanwick.

Existing facilities at Prestwick, employing 650 people, are responsible for flights across the Atlantic and in Scotland.

The new Scottish centre is intended to replace these facilities. The authority said a decision not to go ahead with the new centre would not necessarily mean the loss of all 650 jobs as there might still be a smaller air traffic control presence in Scotland.

Both the Swanwick and planned Scottish centres have experienced difficulties. Computer software problems prevented the Swanwick centre, which has been paid for entirely out of public funds, from opening as planned this December.

The CAA has invited and received bids from private companies to build the centre, even though it has said that it does not believe the PFI is appropriate for air traffic control.

It is due to announce the successful bidders to build the Scottish centre by February, with the facility expected to open early in the next decade. It said yesterday that it would decide whether the centre was needed before February.

Mr Ian Lang, the trade and industry secretary, drew a sharp distinction between the obligation set down by the European Union's social chapter - from which the UK has opted out - and the voluntary decision of a company to introduce a council.

"I am keen and willing to encourage companies to set up these councils on consultation and information where it is in their interests to do so," Mr Lang told BBC Radio.

"The important point, however, is that it should be a decision for them to take in the light of their circumstances, and not something that should be forced on them from outside, and from outside the UK."

Mr Lang reiterated the government's view that the chapter had put mainland European companies at a competitive disadvantage and was leading Asian firms to choose Britain as their gateway for investment into Europe.

"One of the reasons that we have closed the productivity gap with Germany, for example, is the burden of costs they have imposed on themselves," he said.

Government officials said ministers still attached top priority to protecting the "rights of company executives to manage", but had never opposed the principle of councils.

Around 100 UK companies with operations in other EU member states have begun to establish works councils.

About another 20 have declared their intention to follow suit, with many firms coming to the conclusion that exempting their UK operations from consultation is increasingly impractical.

## Voluntary works councils endorsed

By John Kampfer,  
Chief Political Correspondent

The government yesterday gave its strongest endorsement yet of works councils, following the decision of British Steel to become the latest company to set up a consultative body for employees.

Mr Ian Lang, the trade and industry secretary, drew a sharp distinction between the obligation set down by the European Union's social chapter - from which the UK has opted out - and the voluntary decision of a company to introduce a council.

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Several of the market-making firms said they were in favour in principle of a shift, although BZW, the investment banking arm of Barclays, raised the strongest objections to the way that the order-driven market would work in practice.

Mr Donald Brydon, acting chief executive of BZW, said in his submission that "the prospect of a poorly used order book with anonymous orders will not be appealing to the investors the new system is designed to serve". He added that the exchange's wish to serve investors, rather than member firms "begs many questions about the nature and benefits of membership".

Some objections to the proposed changes came from private client and agency stockbrokers, several of whom said that it might damage liquidity

in the stock market. The strongest protest came from Mr David Howard, managing director of Charles Stanley & Co, who argued that rules that would make firms interact with the order-driven market were "reminiscent not of Adam Smith but of Joseph Stalin".

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## UK NEWS DIGEST

## Lenders control of debt improves

Building societies are improving their ability to control bad debts, according to data published yesterday.

The cost of bad debt provisions as a percentage of profit fell to its lowest level in six years, from 19.02 per cent in 1994 to 13.26 per cent last year, according to the financial business unit of KPMG, the accountants, in its annual database survey of UK building societies.

Mr Simon Walker, partner, said: "Bad debts have gone down because the economy has picked up and societies have become much better about how they lend."

He said the reduced cost of providing for bad debts had enhanced the ability of building societies to deliver benefits to members through so-called "mutuality packages" of reduced lending rates, cashbacks or discounts on mortgages.

A relatively slow-moving housing market last year depressed the total profits of the sector by 3.7 per cent to £2.12bn (£3.25bn) in 1995.

Mosko Rich, London

## POSTAL DISPUTE

### Request for talks turned down

The postal dispute was deadlocked last night after Royal Mail turned down a request from the union's executive committee for talks over the weekend.

The management's move follows this week's rejection by the union of a deal to resolve the dispute.

A Royal Mail official said the company was "puzzled" by the union's request for more talks.

"The settlement made very clear that the next stage should be further discussions to finalise an agreement on a new way of working," he said.

The executive of the Communication Workers' Union plans to meet again on Monday, on the eve of another strike, to decide its next step.

Robert Taylor, London

## BARINGS

### Cases to be heard in London

All legal actions in which the administrators of Barings Bank are suing the bank's former auditors Coopers & Lybrand and Deloitte & Touche for up to £1bn (£1.55bn) in damages will be heard in London, a High Court judge ruled yesterday.

Mr Justice Chadwick dismissed a bid by Coopers & Lybrand (Singapore), the former auditors of Barings Futures (Singapore) to have the action against it heard in the Singaporean courts.

The London courts are set to hear the other cases brought by Barings plc, the holding company, against its auditors, Coopers & Lybrand and Deloitte & Touche, the Barings Futures (Singapore) auditors before Coopers & Lybrand (Singapore) took over the role.

John Mason, London

## LLOYD'S SETTLEMENT

### Names fight auditors

Lloyd's said yesterday that it was ready to act as an intermediary in a dispute between a group of Names, and a firm of auditors, both of which are not covered by its £2.2bn (£4.95bn) settlement plan.

It is understood that Pannell Kerr Forster did not contribute to the more than £100m put into the settlement by auditors because it faced no legal suits linked to the insurance market.

However, a spokeswoman for the Syndicate 190 Names' Association said there was now growing support for an action against PKF. The move will be seen as an attempt to press the auditors into an out-of-court offer direct to Names.

A spokesman for PKF said: "We are interested to hear that Lloyd's appear, of their own initiative and without our knowledge, to be in conversation with the Syndicate 190 Action Group."

"For our part we confirm that there is no claim against us in relation to this matter and that any claim would be strenuously resisted."

Jim Kelly, London

## PROPERTY PRICES

### Recovery in housing continues

House prices in July rose for the seventh month in succession according to figures published yesterday by Nationwide, the UK's second largest building society.

The figures confirm that the housing market recovery, unlike in the previous two years, has continued into mid-summer.

According to Nationwide, prices on average rose by 0.7 per cent last month to £53,589 (£63,082). In previous years, prices and sales have improved ahead of the spring, but fallen away as the summer approached.

Andrew Taylor, London

## FILM INDUSTRY

### Bottomley backs studios

The UK is well-placed to sustain a viable film industry, Mrs Virginia Bottomley, the secretary of state for national heritage, said yesterday. Mrs Bottomley, recently returned from promoting the British film industry in Hollywood, said that "more than a third of a billion pounds (£450m) has been invested in film production in this country" in the first six months of this year alone.

"Investment in our film industry is rising year-on-year, as it declines in the US, in France and elsewhere in Europe," she said. "The next important step is to encourage the industry to consider what obstacles remain to further growth and investment within the industry and how they might be removed," she added.

Agencies

## N Ireland fears further violence over marches

By John Murray Brown  
in Dublin and John Kampfer  
in London

With a week to go there was no sign last night of a compromise being found between nationalist residents of Londonderry and the Protestant Apprentice Boys over their plans to march in the largely Roman Catholic city on August 10.

Politicians in the province and in London expressed concern at the lack of progress amid fears of a repetition of the violence that followed the police's retreat in Portadown last month when an Orange Order parade was allowed to march past a Catholic estate.

The two sides said yesterday they would meet again on Monday, raising hopes that an accommodation may still be possible.

The Social Democratic and Labour party leader, Mr John Hume, the local MP, has convened a number of meetings between the nationalist Bogside residents and the Apprentice Boys in an attempt to find a solution. On local radio yesterday, Mr William Hay, a hardline Democratic Unionist and former Derry lord mayor,

applauded Mr Hume's role and indicated there was still the possibility of a breakthrough.

A residents' spokesman said yesterday an agreement was "quite possible". However the group is now demanding the RUC, the Protestant-dominated police force, hand over the policing of the march to stewards from both sides.

Mr Gerry Adams, the Sinn Féin leader, supported the residents' demands. In a statement he said: "The Apprentice Boys must, as a matter of urgency, enter into a dialogue with the host communities through which they plan to march. They must seek their consent to march."

Mr John Bruton, the Irish prime minister, raised the issue in a telephone conversation with Mr John Major, his UK counterpart, earlier in the week. Mr Bruton said yesterday that nationalists must recognise unionist traditions.

An international conference on computer security has pulled out of Northern Ireland because delegates feared for their safety. It was switched to the Irish Republic after organisers received a series of cancellations.



Labour deputy leader, John Prescott, campaigning with a traditional kilt and sporran

## Political parties take their propaganda to the beaches

By John Kampfer,  
Chief Political Correspondent

The propaganda and psychological warfare between the two main political parties moved to the beaches yesterday with the launch of a campaign by the opposition Labour party to expose "Tory lies".

Armed with bags containing sweets, cardboard sun hats, postcards and other beach-holiday items bearing the

insignia "same old Tories, same old Lies", Labour activists will descend on resorts in the UK and Europe to combat the Tories' current campaign motto "New Labour, New Danger".

The international model for a successful counter-offensive, Labour officials say, was Mr Bill Clinton's campaign rebutting accusations made by the Bush team during the 1992 US presidential elections. They contrasted this to the recent

Israeli elections which saw Labour fail to rebut a successful aggressive campaign by the Likud party.

Meanwhile Labour yesterday indulged in the type of Brussels-bashing that has more often been the preserve of the Conservatives by launching a campaign against a EU directive calling for bread to be priced per gramme. Labour claimed that the quality of the traditional British loaf of bread was under threat.

Several of the market-making firms said they were in favour in principle of a shift, although BZW, the investment banking arm of Barclays, raised the strongest objections to the way that the order-driven market would work in practice.

Mr Donald Brydon, acting chief executive of BZW, said in his submission that "the prospect of a poorly used order book with anonymous orders will not be appealing to the investors the new system is designed to serve". He added that the exchange's wish to serve investors, rather than member firms "begs many questions about the nature and benefits of membership".

Some objections to the proposed changes came from private client and agency stockbrokers, several of whom said that it might damage liquidity

in the stock market. The strongest protest came from Mr David Howard, managing director of Charles Stanley & Co, who argued that rules that would make firms interact with the order-driven market were "reminiscent not of Adam Smith but of Joseph Stalin".

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## Scania boosts share as W Europe market slows

By Greg Melvor in Stockholm

Scania, the Swedish truckmaker, said yesterday that growth of new registrations was slowing in the west European market, although its market share increased from 14.7 per cent to 18.1 per cent in the first half.

Mr Leif Ostling, chief executive, said the market "remained at quite a high level" compared with the trough of 1993 but was flattening out after the delivery of large order backlogs. New order bookings fell 4 per cent.

Scania reported a decline in first-half pre-tax profits from SKr2.8bn to SKr1.1bn (\$319m) - in line with market forecasts.

It attributed SKr560m of the drop to the stronger krona, and said profits were also affected by costs associated with the switch to production of its new 4-series truck.

In the first half, the group

registered 15,079 heavy trucks in western Europe, up 17 per cent, and said the market had expanded 8.9 per cent compared with the same period in 1995.

It said future developments would hinge on the strength or weakness of the German economy, where its registrations fell 2 per cent.

Mr Ostling warned that unless overall volumes improved Scania might have to bolster an existing rationalisation plan aimed at raising productivity by 4 per cent a year. The group did not rule out further job losses, on top of the 1,500 announced earlier this year.

Sales slipped from SKr12.8bn to SKr12.7bn, but increased 2 per cent when adjusted for currency fluctuations. Earnings per share were SKr7.56, against SKr9.30.

Scania B shares gained SKr4.50 to close at SKr181 -

just above the SKr180 offer price when Scania's stock was floated in New York and Stockholm this spring in an SKr18.8bn initial public offering.

The UK truck market, Scania's largest, declined nearly 10 per cent. However, the group overcame this by lifting registrations to 3,105 units, a 10 per cent improvement, and raising market share from 16.9 per cent to 20.5 per cent.

In Brazil, registrations tumbled 37 per cent to 2,332 units after an exceptionally good first half in 1995. Mr Ostling said the market had stabilised at its 1993 level of about 14,000 units a year, and Scania's market share had risen to 37.5 per cent.

Growth potential remained good but progress was likely to be "stop and go", reflecting the political and economic climate.

Scania said orders for the

### PROFILE

#### SCANIA

Market value: \$2.05bn Main listing: Stockholm

Historic P/E 11.3

Gross yield 3.0%

Earnings per share \$13.8

Current share price SKr 177.0

Dividend yield 3.0%

Dividend per share SKr 13.8

Dividend cover 2.5x

Dividend growth 10.0%

Dividend payout 65.0%

Dividend frequency Annual

Dividend history 1995: SKr 13.8

Dividend history 1994: SKr 12.5

Dividend history 1993: SKr 11.2

Dividend history 1992: SKr 10.0

Dividend history 1991: SKr 9.0

Dividend history 1990: SKr 8.0

Dividend history 1989: SKr 7.0

Dividend history 1988: SKr 6.0

Dividend history 1987: SKr 5.0

Dividend history 1986: SKr 4.0

Dividend history 1985: SKr 3.0

Dividend history 1984: SKr 2.0

Dividend history 1983: SKr 1.0

Dividend history 1982: SKr 0.5

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## COMPANIES AND FINANCE

■ Hush Puppies disposal brings in £23m ■ Stylo takes on leases of 61 Facia shops

## Sears achieves shoe business restructuring

By Christopher Brown-Humes

Sears, the retail group, yesterday completed a four-year restructuring of its shoe operations, by announcing the sale of the retail and wholesale operations of Hush Puppies for £23m.

The retail business is being bought by Stylo, the UK's third biggest specialist shoe group, which has also agreed to take over leases on 61 Facia group stores. These properties reverted to Sears after Facia collapsed into receivership two months ago.

Mr Liam Strong, Sears chief executive, described the Hush Puppies sale as "the final building block in our strategy to focus on a small number of brands with good potential for growth".

He said the returns from Hush Puppies - a middle-market business targeted mainly at the over 40s - were unlikely to reach those of the other businesses.

During its restructuring, Sears has sold more than 500

shoe shops, cutting its British Shoe Corp operations from 14 fascias to four.

Its remaining businesses, comprising department stores, Dolcis, Shoe City and Shoe Express, spread across 800 outlets.

Sears will sell 119 Hush Puppies stores to Stylo for £19.2m, while the wholesale business is being bought by Wolverine World Wide, owner of the Hush Puppies brand, for £3.8m. This gives Sears, which will continue to sell Hush Puppies in some of its stores, an overall profit of £200,000.

Meanwhile, Sears is paying Stylo £2.75m to take the Facia stores off its hands, while Stylo pays Facia £5.9m. Sears retains 230 Facia stores, many of which are likely to close. The group believes that a £25m provision it made after Facia's receivership is enough to cover its liabilities.

Stylo, best known for its Baratts chain, gains 180 additional stores through the deals, nearly doubling its market share to 7.5 per cent.



Liam Strong: 'the final building block in our strategy to focus on a small number of brands'

Its main acquisitions from Facia are 42 Saxe outlets and the worldwide rights to the Saxe name.

The group is also getting 16 Freeman Hardy Willis stores and three Trueform outlets.

Mr Michael Ziff, chief executive, said: "The shoe market is much better than a year ago, echoing recent optimism about the sector at a time of increased consumer spending."

Stylo plans to fund part of the purchase with a 1-for-3 placing and open offer at 110p per share to raise £14.9m.

Some believe Sears would have done better to stick with more of its shoe brands and make them work, especially with a sector recovery now in sight. This increases the pressure on it to show tangible benefits

from the restructuring - and soon - because four years of upheaval have so far produced very little. What is needed is a convincing pick-up in sales this autumn and clearer signs of supply chain and logistical efficiencies. Until this happens the shares - down 1 1/2p to 98p - will not easily break away from the £1 level to which they seem to have become rooted.

## Matthew Clark pays £431,000 moving bill

By David Blackwell

Matthew Clark, which under Mr Peter Aikens has grown to be the second biggest player in the UK elder market, spent a total of £431,000 so he could move house last year.

The report and accounts show he was paid relocation assistance of £262,000, on which the group paid £169,000 in associated income tax. The payment included a disturbance allowance of £127,000 and £38,000 compensation for the shortfall in sale proceeds on his former home.

Mr Michael Cottrell, non-executive chairman of the group and chairman of the remuneration committee, yesterday described the move as "a hard-nosed business decision. If we had failed to persuade Peter to relocate we would have done shareholders a considerable disservice".

The group asked Mr Aikens, who became chief executive in May 1990, to move from his home of 20 years in Reigate, Surrey, after the group moved its headquarters from Guildford to Bristol in May last year following the acquisition of Gaymans. It paid for 51 other managers to move house at the same time.

Last month Matthew Clark, which acquired Taunton Cider in November last year, returned to the black, reporting pre-tax profits of £17.2m for the year to April 30 after exceptional gains of £25.1m for restructuring.

The annual report shows that Mr Aikens' salary was unchanged at £151,000, but his total remuneration rose by 26 per cent to £241,000, including £100,000 in bonuses.

Mr Brian Stewart, chief executive of Scottish & Newcastle, held 296,311 shares on the date of April, according to the annual report and accounts.

At yesterday's closing price of 65p the shares are worth a total of just over £1.9m. Mr Stewart's weighted average exercise price is 420p a share on the options, which are exercisable to the end of August 2005.

Last year Mr Stewart, whose pay rose 21 per cent to £462,000, was granted 17,982 options at an exercise price of 340p. He holds 19,871 shares under the group's long-term incentive plan.

## Caverdale advances to £2.6m at halfyear

By Gary Evans

Caverdale Group, the motor retailing and industrial products group, lifted pre-tax profits by 30 per cent from £2m to £2.6m in the first half of 1996, on turnover 35 per cent higher at £123.6m.

Mr Arild Nerdrum, chairman, said that indications for August were "promising" and orders were well ahead of last year. Overall the group's businesses were looking forward to a further period of expansion, he said.

The expansion of the motor retailing division continues and turnover in the period was 31 per cent higher at £110.1m, while operating profits rose to £2.9m (£2.6m). Used car sales, in unit terms, were up 52 per cent on the same period last year. The parts business also performed well with a 34 per cent sales increase.

Mr Nerdrum said Godfrey Davis continued to make a significant contribution to results, especially with its new flagship dealership in St Albans now fully operational.

The recent acquisition of M&P Motorcycle Accessories helped the industrial products side boost turnover by 22 per cent to £12.5m and operating profits more than double to £256,000. Mr Nerdrum said M&P had been "smoothly integrated into the group" and had "exceeded our expectations".

## NEWS DIGEST

### Arsenal falls £3.6m into red

The importance of European football to English Premier League teams was underlined yesterday by annual results from Arsenal, as the north London club unveiled a drop in turnover and a pre-tax loss of £3.6m for the year to May 31.

Mr Peter Hill-Wood, chairman, blamed the loss on "the lack of income from European football, together with the ever-increasing cost in players' wages". The loss compared with a previous profit of £1.94m, while turnover was down £3m at £20.5m.

At the operating level, the Highbury club made a profit of £2.54m (£2.84m) on last season's activities, but this was wiped out by a £5.16m (£4.9m) deficit on transfer dealing. There was also a setback on the commercial and retail side, where profits showed a near £3m drop to £11m.

Arsenal spent more than £12m last summer on buying Dutch forward Dennis Bergkamp and England midfielder David Platt, but has failed to feature in the recent surge of transfer activity, which has seen England striker Alan Shearer move to Newcastle United for a world record £15m.

Both Bergkamp and Platt were signed shortly after Mr Bruce Rioch became manager in June last year, but since then there have been no further incoming cash-transfer deals and many Arsenal supporters have become frustrated at the lack of new signings.

Arsenal players' wages rose by more than £1m to £10.1m last season, while gate receipts - despite near sell-outs at every home game - fell from £11m to £9.97m as a result of fewer matches because of the absence of European competition. This also reduced earnings from television rights. The club won the European Cup Winners' Cup in 1994 and again reached the final the following year.

The balance sheet reveals that £4.06m is owed to the club from previous transfer dealings, but creditors are due £9.46m on the same basis.

Gary Evans

### Hazelwood bidding closes

The final round of bidding for the Hazelwood power station, being privatised by the Australia's Victorian state government, closed yesterday - with some suggestions that the winning tender could be announced in a matter of days.

The plant will be the second generator to be sold off as part of the steady privatisation of Victoria's electricity assets. The first Yallourn, was bought by a consortium led by the UK's PowerGen for A\$2.43bn (£1.87bn) in March.

A number of US consortia are believed to have been involved in bidding for Hazelwood, including one which brings together National Power and PacifiCorp of the US.

Nickel Trail, Sydney

### Asahi sees 20 per cent rise

Asahi Breweries, the Japanese beermaker, posted a strong rise in interim earnings following firm sales of its "dry" beer and cost cutting efforts. The company said its consolidated recurring profits - before extraordinary items and tax - for the six months to June rose 20.1 per cent to ¥12.5bn (£117m) on a 15.5 per cent rise in sales to ¥466.2bn. After-tax profits rose 13 per cent to ¥3.8bn.

For the full year to December, Asahi expects parent sales to grow 4.5 per cent to ¥910bn and recurring earnings to rise 1.3 per cent to ¥220bn.

Shinichi Terano, Tokyo

### Partial offers from Pemberstone

Pemberstone, the investment and property management company, is making partial offers to acquire four residential property companies.

To fund the offers it is raising \$7.1m net in a placing and open offer of 12.5m new ordinary shares at 60p. The open offer is on an 8-for-15 basis. Up to 6.25m warrants are also being issued on the basis of one for every two new shares subscribed. Each warrant can be converted into one new ordinary share at 66p in the three weeks following publication of the company's results for 1996.

The partial offers are for South Eastern Recovery Assured Homes, Fourth Roman Property Trust, Roman Recoveries and Midlands Residential Corporation. Following full acceptance, Pemberstone will hold less than 30 per cent but more than 29.9 per cent of the companies.

Pemberstone's strategy for the growth of its portfolio of rented residential property is to acquire companies which, principally, had been funded under the RES. It believes acquiring minority stakes fits its strategy.

The shares rose 4p to 60p.

### International Tool slips

International Tool & Supply, the off-price services group formerly known as New London, saw pre-tax profits fall from \$3.06m to \$880,000 (\$870,500) in the year to March. However, the fall is exaggerated by the sale of a subsidiary which contributed \$1.6m in the period against \$5.7m last time. After tax and minorities, retained profits were \$1.2m (\$2.8m).

Sales advanced from \$33.5m to \$36.3m. Earnings per share fell from 2.2 cents to 0.8 cent.

### Burford buys Grantchester stake

Burford Holdings, the property company, has acquired 35 per cent of Grantchester Group, the specialist retail warehouse development and investment company, for \$5.8m.

Mr Nigel Wray, chairman of Burford and Mr Nick Lesluz, chief executive, will join the Grantchester board as non-executive directors.

### Walker, Crips comes to market

Walker, Crips, Weddle, Beck, the private client stockbroker, is coming to the main market via a placing and intermediaries offer of up to 3.15m shares at 70p a share, which values it at \$5.3m. The intermediaries offer closes on August 12.

Phillip Group, the Singapore stockbroker that has been a big shareholder since 1993, will subscribe for 300,000 shares so it will hold 33.3 per cent of the company. After the offer, Mr Larry Byford, chairman, will hold not less than 5.6 per cent, while Mr Michael Sunderland, chief executive, will hold 12 per cent.

### In Brief

■ **HELICAL RETAIL**, the specialist retail property developer, has completed deals on three big retail and leisure projects to raise a total of £43.5m by pre-selling to tenants or forward funding with institutional investors.

■ **BURBURY ESTATES** has agreed to sell the Tesco supermarket at Brighouse, West Yorkshire for £2.45m, realising a surplus of £250,000 over book value. The proceeds, payable in cash at completion, will go to increase its working capital. Following a recent lease renewal, the property sold produces a rental income of £210,000 a year.

## Kepit rebuffs TR with plan to become a unit trust

By Roger Taylor

Kleinwort European Privatisation Investment Trust (Kepit) yesterday faced a humiliating climbdown following a £500m hostile bid from TR European Growth, an investment trust managed by Henderson Touche Renaut.

But it is choosing suicide before surrender. Rather than see TR take over the fund and liquidate it, Kepit is drawing up plans to convert to a unit trust.

This would allow shareholders to cash in their investments, and as many will choose to do this, the net effect will be similar to liquidation.

The difference is that the costs will be much lower since TR and its advisers will be denied the fees they stood to make if the bid were successful. This means the return to shareholders will be correspondingly higher.

Kepit's announcement was welcomed by brokers. Mr Peter Walls, analyst at Credit Lyonnais Laing said: "This must be

good news for shareholders."

However, the move is a painful reversal for Kepit's board, which has maintained until now that any form of liquidation or unitisation would be against shareholders' best interest.

Kepit has been under pressure from dissatisfied investors to do something about the fund's poor performance almost since the day it was launched two years ago. Earlier this year the board put forward proposals for a £300m share buy-back scheme. Shareholders were due to vote on this at an extraordinary meeting on Tuesday.

The board has now cancelled next Tuesday's meeting while it waits for Kleinwort Benson Investment Management to draw up unitisation plans.

Mr Shane Ross, chairman of Kepit, said it was by no means certain that the board would accept unitisation. The finished plans would be considered along with all other options, he said.

However, in the face of the

bid from TR, Kepit is unlikely to be able to offer anything better. Mr Peter Ellis, deputy chairman of Kleinwort Benson Investment Management, said: "In contrast to the proposals from TR European Growth, the unitisation will seek to maximise value to shareholders without the need to incur very large costs."

Mr James de Saumarez, a director of Henderson, said yesterday: "This is not a knockout blow. We will continue with our bid." He called on the independent directors of the trust to meet with TR to discuss its proposals. TR is offering Kepit shareholders either cash or a limited number of shares worth 99.25 per cent of the proceeds of a liquidation. However, bid costs must first be deducted, which could be more than 2 per cent of the fund.

Unitisation would bring to an end an embarrassing episode for Kleinwort Benson. Kepit is its largest investment trust but has been a poor investment and the subject of continued complaint.

## Sage emerges as bidder for Pegasus

By Paul Taylor

Sage, the Newcastle-based accounting software house, emerged yesterday as the mystery potential bidder for Pegasus, its smaller rival, which could value the US\$4-noted company at around £77m.

Sage, the UK's leading developer of business accounting software for personal computers, said it wanted to make a recommended offer for Pegasus and had been in discussions with its board and advisers concerning terms.

It said it had put a conditional cash or paper proposal worth 425p a share to the Pegasus board.

Pegasus shares jumped from around the 300p level to almost £20p a week ago when the company revealed it was the target of an unsolicited approach. Yesterday, ahead of the Sage announcement, the shares closed unchanged at 413p, while Sage shares closed up at 428p.

Sage is understood to have approached Pegasus a number of months ago and to have held

several rounds of discussions since then. However it is understood that the initial Pegasus response to Sage's overtures was less than enthusiastic.

Yesterday, in response to the Sage announcement, Pegasus said a 425p-a-share offer significantly undervalued its trading prospects.

### COMMENT

A merger between these two companies makes sense. While Sage is much bigger than Pegasus, both serve the growing market for accounting software in small and medium sized companies. Pegasus, however, has little presence outside the UK while Sage has built up a strong international business. Similarly a deal would help strengthen Sage's own position in the domestic market. More fundamentally, small software companies are under increasing pressure because of high development costs and the need to seek economies of scale - forces which have already led to a wave of consolidation within the industry.

## Ronson calls for £10.4m in wake of purchases

By Justin Marozzi

Ronson, the branded products group, is raising £10.4m net to repay an outstanding loan and strengthen the balance sheet.

The group is proposing a 9-for-10 rights issue of 40.3m shares at 25p. All directors except one will be taking up their rights, amounting to 1.25m shares. The issue is fully underwritten by Williams de Broe and Apex Partners.

The shares slipped 5p to 37p.

Ms Christine Pickles, corporate development director, said the fall was "quite pleasing" against a theoretical price of 32p, averaged down after dilution. Institutions had been "very supportive", she said.

At the same time Ronson announced a collapse in pre-tax profits from £1.45m to £27,000 in the half year to June 29. Turnover was little changed at £14.5m (£14.2m). Net interest payable jumped from £37,000 to £352,000 on the back of last

year's acquisitions.

Ms Pickles said the fire at its Newcastle facility, which cost £9.1m, accounted for most of the drop in profits and forced the group to "relook at our finances".

Ronson will be recouping £5.9m of the losses from insurance proceeds.

Ms Pickles said that after paying the outstanding loan of £6m which financed recent acquisitions in the home shopping businesses the group

would focus on organic growth.

Funds raised from the rights issue would also go to implementing "improved business systems" in the new centralised operation in Garside after the decision not to rebuild the Newcastle premises.

The group's strategy is to bring out new collections and develop further brand opportunities in the four sales divisions. It has just launched three collections of men's

grooming products.

Ronson's sales are heavily biased towards Christmas, with about 45 per cent of its turnover coming in the last quarter.

Ms Pickles said Ronson aimed to be a "mini Dunhill" but with its products in the "accessible rather than aspirational" bracket.

The interim dividend is unchanged at 0.25p, payable from earnings per share of 0.08p (2.43p).

## Analysts cut forecasts after Arjo warns on full year

By Patrick Harversorn

Analysts yesterday slashed their profits forecasts for Arjo Wiggins Appleton after the Anglo-French paper group warned that its results this year would be even worse than expected because of difficult trading conditions in the European paper market.

Announcing a drop in second quarter revenues from \$908.9m to \$894.9m, Mr Cob Stenham, chairman, said the first half had proved tougher than anticipated because of weak European demand and falling pulp and paper prices.

Although Arjo's performance in the second half would

improve, it would be insufficient to make up for the profits deterioration in the first six months, said Mr Andrew Shaw, finance director.

The second profits warning in three months is the latest setback for Arjo, which replaced its chief executive in March. The management shake-up, which saw Mr Alain Soulas succeeded by Mr Philippe Beylier, was made as Mr Daniel Mellin - the deputy chairman and head of St Louis, which owns 40 per cent of Arjo - conducted a strategic review of the group's businesses.

The results of the review are due in September, but analysts are not expecting Mr Mellin to

make wholesale changes within the group.

Yesterday Mr Shaw said the outlook for the second half had begun to brighten amid signs of a recovery in pulp prices and sales volumes. However, that did not stop City analysts from downgrading their profits forecasts for this year by \$25m-£30m to about £130m. "This represents extended gloom for Arjo and we certainly can't be sure the board's more optimistic assessment of the second half can be justified," said Mr Robert Miller-Bakewell of NatWest Securities.

The group's shares fell 9p in early trading, but recovered later to end down 3p at 171p.



Cob Stenham: first half had proved tougher than anticipated

## CCI to acquire UK side for up to £16m

Cash Converters International, the Australia-based retailer specialising in the franchising of stores operating as second-hand goods dealers, is acquiring Cash Converters UK, which has its UK sub-franchise agreement, for a maximum £16m.

The initial consideration of £12m comprises £8.9m in cash backed loan notes and £3.1m in CCI units.

To finance the acquisition the company is raising £8.9m through a placing and open offer of 33m units at 27p. Some 16m have been firmly placed with the balance available on a 1-for-6 basis.

CCI also forecast pre-tax profits for the year to June 30 1996 of not less than A\$6.35m (£3.25m) with a final dividend of 2.6 cents, making 3.9 cents (about 2p) for the year.

## Cardcast plans final as profits advance 83%

Cardcast, the supplier of credit card fraud prevention services that joined Aim in April, plans to pay a final dividend for 1996 after it yesterday unveiled interim pre-tax profits ahead 83 per cent at \$401,000.

Sales were ahead 6 per cent to £1.76m while operating profits rose 51 per cent to £528,000. Earnings per share rose from 1.54p to 2.67p despite an increased number of shares.

Mr Nigel Whitaker, chairman, said the group had cut its broadcasting costs and interest charges following the fundraising and admission to Aim. The company has moved Mr Chris Poulton, managing director, to its international division, to "reflect the increase in the international opportunities currently being identified". He is replaced by Mr Graham Pooley.

## RESULTS

	Turnover (£m)	Pre-tax profit (£m)	EPS (p)	Current payment (p)	Date of payment	Dividends Corresponding dividend	Total for year	Total last year
Cardcast	6 mths to June 30	1.76 (1.83)	0.401p (0.219)	2.67p (1.54)	-	-	-	-
Caverdale	6 mths to June 30	122.8 (82.7)	2.5 (2.1)	7.5 (6.6)	1.5	1.2	-	-
CCI Group	Yr to Apr 30	103.3 (72.8)	6.32 (5.67)	5.7 (5.3)	3.17p	2.9	4.1	3.75
Int Tool & Supply	Yr to Mar 31	38.3 (25.5)	0.28p (0.05p)	0.9 (2.2)	-	-	-	-
Jacobs Vert	Yr to Apr 27*	42.7 (40.7)	5.04p (3.13)	41.2p (22.1)	-	-	-	-
Ronson	6 mths to June 29	14.5 (14.25)	0.057p (1.45)	0.08p (2.43p)	0.25	0.25	-	5.25
							1.75	
	Turnover (£m)	Pre-tax profit (£m)	EPS (p)	Current payment (p)	Date of payment	Dividends Corresponding dividend	Total for year	Total last year
Anglo & Overseas	6 mths to June 30*	588.9 (502.7)	6.43 (5.47)	5.63 (4.78)	1.8p	1.8	-	7.8
Australian Open	Yr to July 31	99.1 (97.3)	0.005 (0.001)	0.7 (0.01)	0.25	0.25	0.25	0.25
Flaming Energy	Yr to June 30	167.6 (199.5)	0.881 (0.313)	0.91 (0.32)	0.24	0.17	-	-
Midwest UK Index	6 mths to June 30	165.03 (146.81)	1.44 (1.22)	2.97 (2.51)	2.2	2	-	-
Murray European	6 mths to June 30*	74.4 (62.5)	0.288 (0.26)	0.88 (0.93)	-	-	-	-
TR Far East	Yr to Aug 31	-	-	-	1.5p	1.5	-	7.8

Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. \*After exceptional charge. \*After exceptional credit. \*In increased capital. \*Net stock. \*SMA stock. \*Comparatives restated. \*US currency. \*As at Dec 31. \*Applies to 90p as foreign income dividend. \*Third interim makes 4.8p to date.

سكرا من الامل



## COMMODITIES AND AGRICULTURE

WEEK IN THE MARKETS  
Platinum  
price build  
on rally

Platinum prices built on their recent rally this week as a strike at an important South African mine was added to a string of comparatively minor factors supporting the market. The price reached \$940.50 a troy ounce at one stage, adding \$2.50 to last week's \$2.30 advance, before edging back to \$938.50 yesterday.

Most of this week's rise came in response to Thursday's news that the entire 25,000 workforce of Impala Platinum, a Gemcor subsidiary, had gone on strike in support of a demand for a 9.5 per cent pay rise. Analysts suggested, however, that the action was largely tactical, as the company had indicated that it might reconsider its opening offer of 7.44 per cent when talks resumed yesterday.

Meanwhile, at Anglo American Platinum Corporation's Rustenburg mine, the world's largest producer of the white

therefore in gold's upside potential. The London bullion market gold price ended the day at \$386.45 an ounce, down 5 cents on the day but still \$1.15 up on the week.

At the London Metal Exchange the copper contract had a quieter time, following last week's brief rally above \$2,000 a tonne for three months delivery. This week the price remained between \$1,938 and \$1,995 before closing yesterday at \$1,942.50, down \$22 on balance. Rises in LME copper stocks announced on Tuesday and yesterday further dented upside sentiment, traders said, though there was no immediate expectation of an attempt to break support around the \$1,900 level.

A firmer tone in the aluminium market was underlined by a stocks rise announcement yesterday. But while the closing three months delivery price of \$1,516.50 a tonne represented a \$10 fall on the day it was still \$7.75 up on the week. Nickel values were also hit yesterday by a rise in stocks and the three months price closed \$45 down overall at \$6,985 a tonne. But that was \$75 above Wednesday's 15-month low.

The London Commodity Exchange rubbers market was underpinned yesterday by fears of hurricane damage to Costa Rica's crop, against a background of receding concern about the possibility of frost damage in Brazilian growing areas, traders told the Reuters news agency. The September delivery price closed at \$1,545 a tonne, up \$9 on the day and \$31 on the week.

"The hurricane in Central America has awakened the market to the fact that coffee is prone to climatic disasters around the world," said one trader. "And while we have had a good crop coming in from Brazil, we are not going to see a big increase in consumer stocks for quite a long time now."

F.O. Licht, the German commodity statistics agency yesterday raised its estimate for 1996-97 world coffee production from 32.68m bags (50kg each) to 34.51m bags.

Richard Mooney

## WEEKLY PRICE CHANGES

	Latest prices
Gold per troy oz.	\$386.45
Silver per troy oz.	322.3p
Aluminium 62.7% (cash)	\$1481.5
Copper Grade A (cash)	\$2120.5
Lead (cash)	\$798.5
Nickel (cash)	\$5875
Zinc SHG (cash)	\$1010
Tin (cash)	\$5090.0
Cocoa Futures Sep	\$360
Coffee Futures Sep	\$1545
Sugar (LDP Ref)	\$3315.70
Barley Futures Sep	\$2100.25
Wheat Futures Sep	\$2100.25
Crude Oil Futures Sep	\$22.50
Wool (Rile Super)	430p
Oil (Rifle Blend)	\$15.50p



## FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL  
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700  
Saturday August 3 1996

## Managing US insecurities

The familiar mystery that surrounds the US deepened again this week. Why is there such a striking contrast between the country's rising economic prosperity and its sense of national insecurity? Why, when output, share prices and jobs have been rising steadily for five years, is there still a pervasive mood of diminished expectations?

The contrast was intensified this week, on the one hand, by yet more statistics showing the economy firmly on track. On the other, the national insecurity was highlighted both by the frenzy of introspection that accompanied the bomb at the Atlanta Olympics and by President Bill Clinton's decision to accept a welfare reform bill that met few of the criteria he had earlier set.

The significance of welfare reform lies as much in the attitudes which gave rise to it as in the historic rupture it marks with the legacy of Roosevelt's New Deal. In its sweeping hostility to single mothers on welfare, the public mood brushes aside the details of how best to deal with today's poverty, and whether to do so at the federal or state level. Mr Clinton, whose instincts are for precisely that sort of policy debate, clearly felt this was not a time to indulge them. Even a president/candidate blessed by a weak opponent and strong polling figures cannot ignore the fretful national mood.

Friday's employment figures provide, among the evidence of sustainable growth, a glimmer of an explanation for public insecurities. Average hourly earnings fell 0.2 per cent in July, even though employment continued to rise. Recent performance has been slightly better - there was a noticeable rise in hourly average earnings in June, for example - but in real terms earnings are still lower than they were when the recovery started in 1991, and well below the levels touched in the early 1970s.

### Rising wages

In his comments on the current state of the economy, as in his decision to sign the welfare bill, Mr Clinton caught the public mood. "What I was worried about," he said on Friday, "was that we wouldn't be able to get wages going up again even though jobs were being created. Now wages are finally beginning to rise and at this point there is no evidence that there's an inflationary problem."

The markets agreed with him about inflation: the Friday figures were taken, in one of those lightning changes of mood, as a clear

indication that there would be, after all, no rise in short-term interest rates at the Federal Reserve's open market committee meeting set for August 20. They seemed to be less confident that rising wages could happily co-exist with stable prices. Indeed, several economists pointed to the drop in earnings as the most significant indicator that inflationary pressures were now under control.

Overall economic prosperity thus goes hand in hand with a sense that individual earnings - or at least, the predictability and security of those earnings - are under threat. One outlet is the witch-hunt against welfare mothers. A second, perhaps more healthy, is the rush into mutual-fund investing, which has taken the number of individual accounts to more than 75m.

### Bull market

This American state of mind raises a number of issues for investors and voters in the rest of the world. For example, just how great would be the revision in public mood if the bull market were to go into reverse? Managing America's insecurities is difficult even when the underlying economic climate is benign. It would prove more challenging still if the weather turned foul.

Big US companies are already unpopular over such concerns as bonuses for top executives, and successive waves of downsizing. If they lost their appeal as a source of investment income, they might prove much more vulnerable to political disavowal.

More broadly, is the US mood essentially a local factor, or is it one of those American trends which spreads relentlessly round the world? If the former, the state of mind of the American public is something for diplomats and large-scale investors to ponder, but of little wider significance. If the latter, it is a harbinger of a worldwide swing away from arrangements for collective support and towards individual families' own self-reliance.

The answer is already partly clear: the inexorable force of demography in all developed countries points in the second direction. But the US example shows that the mood of the journey is as important as the destination. Despite this week's solid economic news, the mood of America remains troubled. That is a source of concern for those who rely on the US as a political and economic partner. It is also a worrying example for those other societies faced with undertaking the shift towards self-reliance in far less favourable economic conditions.

# Wish you weren't here

Even the most remote places on the planet have felt the effects of mass tourism, say Scheherazade Daneshkhu and Robert Chote

### ON THE BEATEN TRACK

Mr Chris Bonington, the British climber, is today beginning an expedition to a remote part of Tibet, an area he describes as "untouched by western civilisation". Yet in many parts of the once-remote Himalayas, the detritus of "western civilisation" is all too obvious. Everest, the world's highest mountain, which Mr Bonington has also climbed, now welcomes thousands of tourists a year - requiring toilets at the base camp to reduce the waste strewn across the trail.

From the Antarctic to Lapland, from Siberia to the Amazon rainforest, there are few places on the globe which are untouched by tourism. For those who want to get away from other people and the pressure of everyday life, it is becoming increasingly difficult to find seclusion.

Complaints about the impact of tourists are nothing new. "Of all noxious animals, too, the most noxious is a tourist. And of all tourists, the most vulgar, ill-bred, offensive and loathsome is the British tourist," wrote Francis Kilvert, the English clergyman and diarist, in 1870.

Yet it was an Englishman who is generally credited with the creation of popular tourism. Thomas Cook, the former Baptist preacher who founded the travel agency that still bears his name, organised the first of many package holidays in 1841. He took 600 people to promote temperance from Leicester to Loughborough by train and charged them one shilling each.

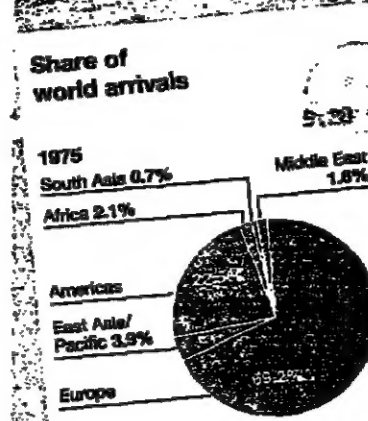
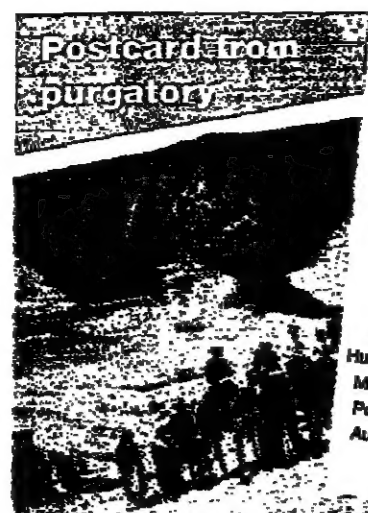
Until 1918 most European states did not require travellers to carry a passport for entry - the exceptions being Russia, the Ottoman Empire. But that changed with the growth of travel, which accelerated after the second world war. In 1950, there were 25m arrivals of tourists from abroad, according to the World Tourism Organisation. Last year 561m tourists visited other countries, spending \$380bn (\$243.6bn) to do so.

More than 18m of them visited Paris, while London absorbed 13m. The Mediterranean, which attracts 120m tourists a year - a quarter of the world total - has acquired the reputation for being one of the dirtiest seas in the world.

As the most popular destinations become "ruined", more people are looking for remote and unspoiled destinations. Thanks to cheaper air travel, Caribbean islands, Bali in Indonesia and African safari parks have joined Toremolinos and Benidorm as holiday destinations in the brochures of mass-market package holiday companies.

As these once-exclusive destinations fill up, the search for ever more exotic holidays continues. This year, specialist tour operators can offer gorilla tracking in Uganda or cruises to Antarctica.

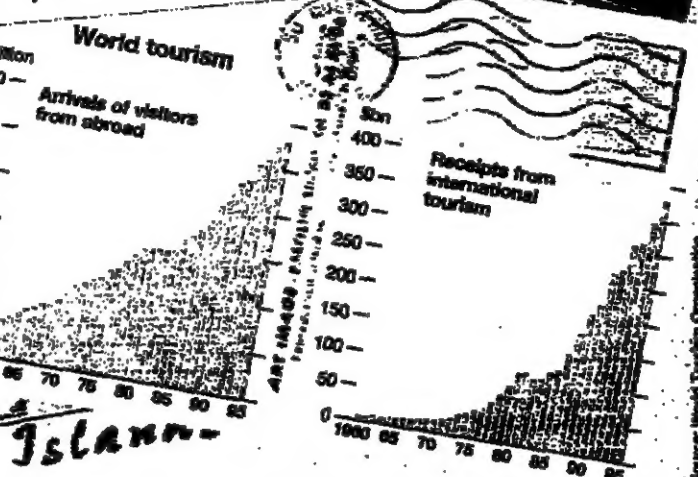
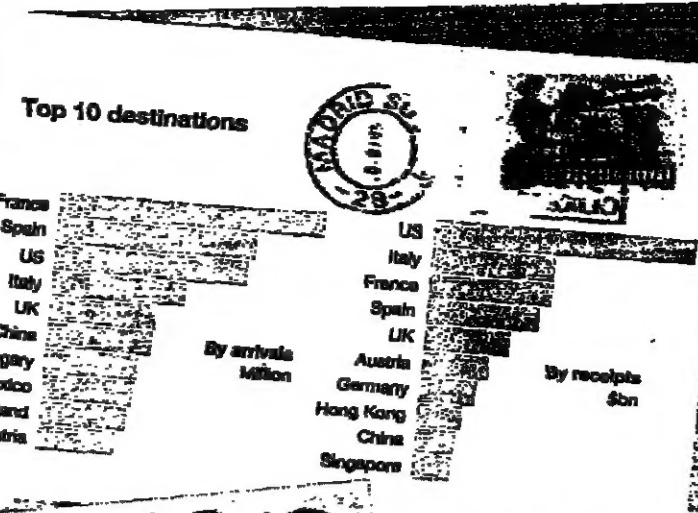
Holiday destinations off the



beaten track are an example of what the economist Fred Hirsch dubbed a "positional good". A well-off couple may feel that holidaying together on an unspoiled Caribbean island symbolises their elevated position in society. But as more people follow in their footsteps it becomes progressively less attractive.

The essential problem is that the supply of a positional good is fixed - there is a limit to the amount of desert beach which any island can offer. The unspoiled gets spoiled as hotels and casinos are erected, golf courses scar the landscape and roads are bulldozed through areas of natural beauty to cope with huge tourist coaches.

But there is also a purely psycho-



logical dimension. The upmarket travellers may become disenchanted simply because their destination loses its exclusivity as the riff-raff follow in their wake. As W.S. Gilbert, the Victorian librettist, put it in *Jolanthe*: "When everyone is somebody, no-one is anybody."

This means that many tourist destinations go through a familiar lifecycle. Take Chiang Mai, the capital of northern Thailand, for example, close to the "Golden Triangle" where much of the world's heroin comes from. After years in which fighting by local warlords made the area too dangerous to visit, intrepid backpackers started to go there in the early 1980s.

Within five years the tourist infrastructure was already becoming

They may soon follow in the footsteps of the backpackers, who have already decamped to commune with the hilltribes of Laos and Yunnan in China.

But the chances of continually finding new unspoiled destinations is low - especially given the growing numbers of people expected to travel. The number of tourists travelling internationally is expected to almost double by 2010, to more than 1bn tourists each year, according to forecasts from the World Tourism Organisation.

The countries of east Asia and the Pacific rim have seen the fastest growth in the number of foreign tourists visiting them over the past decade. Much of this is due to the enormous increase in tourism between countries in the region as average incomes have risen.

But last year the highest growth was recorded in the Middle East and south Asia. Visits to Egypt in the former and India in the latter have grown particularly fast.

There is little doubt that tourism can bring enormous economic benefits to countries. In Spain, for example, it is the country's single biggest revenue earner and employer. For many countries, particularly in the developing world, tourism is an ideal source of job creation and wealth, if managed properly.

But sustainability - the maintenance of a balance between running tourism at a profit but not at the expense of natural resources - has become a buzzword in the industry.

"Countries have to think actively about what role tourism can play for them and to plan for it," says Mr Martin Brackenbury, president of the International Federation of Tour Operators. "Governments must enforce stricter planning policies to regulate building heights and design, and use zoning measures to designate those areas where development may take place and others which must be conserved, possibly as national parks."

The authorities in many of the world's emerging destinations are becoming better at managing the environmental and economic impact of their foreign visitors, according to Mr Forsyth of the LSE.

For example, Bhutan, sandwiched between India and China, charges visitors \$150 a day which raises revenue and reduces numbers. It thus limits environmental degradation and maintains the exclusivity which makes the country a potential good to well-off "adventurers".

"Sustainability is important because a tourist destination depends upon the attractiveness of its physical surroundings," says Mr Brackenbury. "Tourists will not go to places which are polluted and where the landscape has been lost. The end of environment is the end of tourism."

Further articles in this series on places changed by mass tourism will appear throughout August

## LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5936 (please set fax to 'line'), e-mail: letters.editor@ft.com. Translation may be available for letters written in the main international languages. Published letters are also available on the FT web site: <http://www.ft.com>

### Polish camps

From Mr Michael Costello.  
Sir, Mr Jarek Porejski (Letters, August 2) says there was no such thing as a Polish concentration camp. This requires adjustment.

There were concentration camps in pre-second world war Poland (as afterwards). For instance, the Bereza Kartuzka concentration camp for Ukrainian nationalists, communists, socialists and others whose political activities were banned by the then Polish government.

Conditions in Bereza Kartuzka were more than severe: starvation, regular and arbitrary beatings and the other refinements associated with such camps under all regimes.

Michael Costello,  
41 Lower Pant Road,  
Maidstone,  
Kent ME16 8DP,  
UK

### Gold secreted in Switzerland should be put to genuinely humanitarian use

From Mr Andrew Simms.  
Sir, Re your article "Gold sales elude G7" (July 29), and subsequent national coverage of secreted Nazi gold in Swiss bank vaults: there is a way. If the gold could be traced, for the international community to save face.

The proposal to sell International Monetary Fund gold reserves to finance debt relief for the poorest heavily indebted countries is still far from agreement. In addition, the proposal has, in any case, been led astray and directed towards refinancing the Fund's poorly used soft loan facility. Best, rather than being used for straightforward debt cancellation.

At the same time, while many of the former allies seem to have benefited from the quietly stowed profits of the Third Reich, it is very

doubtful whether anyone in genuine need has gained from the looted riches. If the G7 - and Switzerland and Germany in particular - find it so difficult to agree the sale of dormant IMF gold reserves to alleviate crippling debts, there would be poetic justice in putting old Nazi gold to a genuinely humanitarian use. Lifting the debts of people in the poorest developing countries living in absolute poverty would be one such appropriate use.

The real issue for the poorest countries is that there should be a source of money for reducing their stock of debt - the proposed trust fund - and not that the IMF should merely give new loans for old debts. So far only the World Bank has agreed to pay into the trust fund. And even that is dependent on contributions and involvement from

bilateral creditors and the IMF. The level of the disputed IMF gold sale is not far off the reported value of the wartime German gold - between \$800m and £1.7bn. Such funds would avoid misdirection by any multilateral agency and could, by international agreement, be spent directly on debt relief for the poorest.

The poorest countries face an unacceptable drain on resources through servicing unpayable debts, at a time when investing in people for human development is a generally agreed priority. There could be few better or more useful ways to spend this money.

Andrew Simms,  
Christian Aid,  
PO Box 100,  
London SE1 7ET, UK

### VW idle threat

From Mr Vic Heylen.  
Sir, Volkswagen's threat to put a hold on its investment in Saxony if it does not get DM24m (€163m) in state aid says little about the company's strategic consistency ("Brussels fury over cash for VW", July 31). Either it needs the extra capacity or it does not. Important strategic decisions should not depend on whether it gets state aid or not.

Volkswagen's threat to move the investment to eastern Europe is also an idle threat. The buildings for the new plant are ready and some of the equipment is already in place. The truth is the plant is a white elephant which was conceived in the pre-1993 boom years. At a time of overcapacity in the European car industry there seems little reason to keep the animal alive with public money.

Vic Heylen,  
managing director,  
Analyse Auto,  
Mechelse Str. 12  
2000 Antwerp, Belgium

### Long time to act

From Mr Stanley Crossick.  
Sir, A US State Department spokesman on Tuesday urged European governments to understand the emotions felt by Cuban Americans and others who had their assets in Cuba nationalised.

Why, then, has it taken more than 35 years for the US itself to act?

Stanley Crossick,  
Belmont European Policy Centre,  
42 Boulevard Charlemagne,  
B-1040 Brussels, Belgium

### Misunderstanding of the subtleties of football and rugby financing

From Mr Anthony Austin.  
Sir, Your references to Newcastle United's "gamble" in buying Alan Shearer for £15m from Blackburn ("One in £15m", July 30) displayed an alarming ignorance of the laws of football finance, or socceromics. These state that:

● For a club which has been in the doldrums for decades, no price is too high to achieve success.

● A schoolboy once caught up in the full-blooded roar from the terraces is trapped for life. Boy and man, he is fated to throw good money after bad following his team in defiance of economic logic.

● Home-town players who return successful are more welcome than prodigal sons, and worth more than foreign stars.

● Add any percentage to the transfer figure if it means stealing a march on rival north-east or trans-Pennine clubs.

● Asian assembly-line executives will pay over the odds for hospitality boxes at a successful English soccer club.

Footnote: these laws are subject to revision if a major trophy continues to elude. Even the most generous benefactor needs a feelgood return.

Anthony Austin,  
7 Knole Road,  
Sevenoaks, Kent TN13 3XH, UK

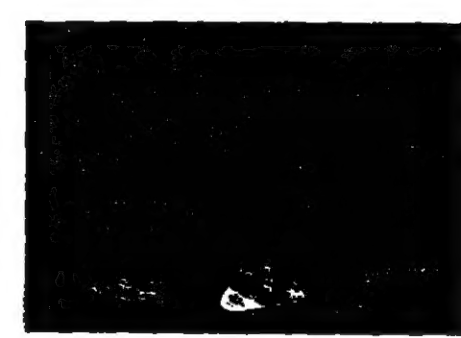
argument for England getting more money from the sale of television rights to their rugby games has nothing to do with future or past performance but everything to do with the number and location of viewers watching games (for some reason France has always had the right to negotiate its own television rights, a right which Scotland, Wales and Ireland are trying to deny the English). England is due more money because it provides the majority of viewers watching a rugby international featuring England.

Mr Smith goes on to state that "the difference between the English and other nations is that the English seem not to realise how arrogant they are". In view of their

greater enlightenment why have the "other nations" not changed their ways?

As an Englishman proud to have 50 per cent Scottish blood I suggest that an annual "arrogance" competition along the lines of the Five Nations would produce a series of dishonourable draws between the English and the Scots with both countries coming a distant second to France. But at least the English would have the consolation of not realising why they were in the competition in the first place.

Paul G. Byard,  
Flat E, 2/F, Tower 22,  
South Barrington,  
Apleton,  
Hong Kong



ROUND THE ISLAND



ON THE ROCKS

CORPS VIEUX	5-10 August
THE CORNELIA TONY MATCH & PARADE, HAZELHILL	8-12 August
EUROPEAN INTERNATIONAL FESTIVAL	11-31 August
SALT COY DEWY, FICHTHARD	15-18 August
GATCOMBE PARK HOME THEATRE	21 August-1 September
DAUNTON ENTERTAINMENT, COLLETON	2-8 September
THE ROYAL HAZELHILL GAMES OF BASKETBALL	7 September
BY LADDER STAIRS, DONCASTER	14 September
LAST NIGHT OF THE PHOENIX, ROYAL ALBERT HALL	14 September
LA FETTES AND QUAT' SAISONS, GREAT MALTON	1-3 October

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CHAMPAGNE OF THE SEASON

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Man in the News • Billy Payne

## The end of a golden dream

Peter Aspdon on the Olympic organiser under fire for excessive commercialism

Billy Payne may be pardoned if some of the buoyancy is missing from his traditionally jaunty stride as the Centennial Olympic Games draw to a close in Atlanta this weekend. As the man who brought the games to Atlanta, the hyperactive visionary with a "crazy dream" of showing the world what his city could do has had a rude awakening. By the end of the first week of the games, Mr Payne, 42, was already wearing a harassed air as the nagging glitches with the computer and transport systems showed a stubborn refusal to resolve themselves. But in the early hours of last Saturday morning, Mr Payne received the call that a bomb had exploded in Centennial Olympic Park, leaving two dead and more than 100 injured.

Mr Payne has rallied since the explosion, urging the people of Atlanta to pull together and re-discover their Olympic spirit. The corny language comes easily to him; and the crowds in the city and at the various sporting venues have responded to his prompting. But Mr Payne now knows the Atlanta Games will be remembered as much for a single act of terrorism as for the sporting triumphs on offer.

According to the Billy Payne mythology, his dream came to him during a night in 1987, following the conclusion of a successful fundraising campaign for his church. He was looking for a way to "build the experience of community again", and bringing the Centennial Games to Atlanta was the way to do it. From a relatively modest and sport-loving background - his father was life insurance salesman - he had become a moderately well-known lawyer. More important, the former college football star had the energy and ability to cultivate important contacts to get the campaign rolling.

First, he enlisted the aid of the city's most important companies, notably Coca-Cola, the Atlanta-based US soft drinks group. In the early days of his campaign, then he signed up Mr Andrew Young, the former mayor, who was US ambassador to the United Nations during the presidency of Mr Jimmy Carter. Mr Young's endorsement was important in influencing International Olympic Committee members.

Mr Payne had no significant managerial experience. Nor did his career suggest that he could raise the \$1.5bn to put on the games. But his dynamism and disingenuous charm worked its magic on the sophisticated sporting diplomats on the International Olympic Committee. He persuaded them to come to Atlanta on two grounds. The first was that the city's peerless modern infrastructure would enable the event to run smoothly. This was a churning argument against traffic-jammed Athens.

The second winning argument was that the city's positive outlook, its entrepreneurial zest, would establish the vibrant atmosphere required for such a historic occasion, as well as the financial support. Mr Payne lined up 10 leading sponsors willing to support the Games to the tune of \$40m each - and then established two extra tiers of smaller sponsors to further swell revenues. He went from talking of the "most important event in the history of Atlanta, Georgia" to "the most important peacetime event of the 20th century". It was certainly one of the greatest marketing exercises.

Such rhetorical excesses came back to haunt Mr Payne when the logistical problems emerged in the first few days of the games. The organisation failed on the most basic aspects of running the games: the buses would not run on time, became lost or stuck in traffic jams; the computer system devised by International Business Machines for getting results to the world was not working properly.

He shrugged these off as "teething troubles" but they shocked many Americans: this was not what was supposed to happen - nor had it happened at the 1984 Los Angeles Olympics. Also taken aback were senior figures from the International Olympic Committee, who discovered the city's centre had been transformed into a maze of tawdry vending stalls. The streets took on a down-market appearance, where you could buy everything from cheap coffee cups to "naked aprons".

Mr Payne robustly replied that it was only right to give small businesses a chance to make money from the games. But the general air of tackiness, combined with the persisting glitches, prompted Mr Juan Antonio Samaranch, the IOC president, to summon Mr Payne and Mr Bill Campbell, Atlanta's mayor, on the first Sunday of the games. He warned them that if things did not improve within 48 hours, Atlanta's image would be tarnished forever.

The IOC, under heavy criticism for succumbing to the commercial muscle which Mr Payne had wielded so skilfully, was annoyed that the image of the Games was suffering in this way. Having made a great deal, as usual, of its traditional refusal to allow sponsors' advertising inside the games venues, it was horrified that the most crass examples of exploitation bombarded the eyes outside those venues.

The second week of the Games was full of superb sporting moments, most notably Michael Johnson's world record 200m sprint. But it was inevitably overshadowed by the bomb which set the city on edge. Mr Payne made numerous appearances on television and at press conferences, making all the right noises about not surrendering to madness and the need for people to get on with their lives. But he has appeared subdued, not at all the bullish figure who boasted confidently that his city would mount the most successful Olympics of all time.

The final balance sheet for the Atlanta Games will not be known until autumn. It is thought there will be a profit, though not as high as first forecast. But the IOC has a different balance sheet to consider: have the games become too commercialised? Unlike Los Angeles, which made a profit of more than \$200m, Atlanta was unable to make people forget the dollar signs and concentrate on the sport.

The IOC has already decided the games will never again be funded entirely from private sources. For the zealous guardians of the Olympic image, Billy Payne's dream was in the end too transparent, and too crudely executed, to be good for a movement in which ideals still count.



## Clock ticks on buried Jewish treasure

Mr Paul Volcker, the former chairman of the US Federal Reserve Board, is no stranger to tricky situations. Nevertheless there will be surprise among his fellow central bankers that at the age of 68 he is about to take on his toughest assignment since he helped defuse the third world debt crisis more than a decade ago.

He is to chair an international committee charged with investigating whether Swiss banks are still hiding large sums of money due to victims of the Nazi Holocaust. Switzerland has come under increasing pressure in recent years over allegations that its banks hold large amounts of money belonging to Jews who died during the second world war.

The big Swiss banks hope Mr Volcker is "going to save them", says Mr Israel Singer, director-general of the World Jewish Congress. "We hope that he will find the truth."

It is now more than 50 years since the Swiss government passed a decree requiring Swiss banks to report on dormant bank accounts of foreigners "persecuted for racial, religious or political reasons". About \$5m was uncovered, of which \$2m was paid to Jewish individuals and charities.

The big three Swiss banks have always insisted the sums of money involved are tens of millions of dollars rather than the billions which some Jewish groups suggest. Earlier this year Mr Robert Studer, chairman of Union Bank of Switzerland, dismissed Jewish claims as a "silly tale" and said: "We're really talking about pennies."

However, after pressure from Jewish organisations, the Swiss Bankers' Association last year agreed to carry out a further search for assets belonging to victims of Nazi persecution. But secret negotiations between the association and the World Jewish Congress almost broke down in February - leading to threats of a boycott of Swiss banks by some of their most important US institutional customers.

The fact that the boycott was averted was no departing coaches listed, but late in the day a rumour swirled round that a privateer "Stagecoach" would stop at 11pm on its way from Perth to London. Exactly on time a mysterious bus pulled in from the gloaming - but it was full and so departed quickly, leaving the disappointed group to trudge back to hotel rooms.

That coach was one of only two then operated by the obscure Perth-based company, Stagecoach. Demand for the company's services has increased dramatically in the intervening years, and not always because the rail drivers' union was so obliging. Through a mixture of savvy acquisitions and ruthless market tactics Stagecoach has gone on to capture almost 30 per cent of Britain's bus routes, run a large slice of the trains in southern England, and this week buy almost a third of the country's railway rolling stock.

Such explosive growth has made some observers nervous, since the story of companies which grow so fast usually ends with something resembling the fifth act of Hamlet. The nervous complaint is not improved by the fact that Stagecoach's latest foray has taken it into leasing - a dark mystery which has claimed the lives of giants such as GPT Aviation, the aircraft leasing group, and British and Commonwealth, the financial services conglomerate.

If observers are worried, the stock

Swiss banks hope an independent committee on assets stolen by Nazis will resolve the issue, says William Hall

avoided owes a lot to the behind-the-scenes diplomatic skills of Mr Hans Baer, 68, a Jew and former chairman of his family's private bank in Zurich. He flew to New York twice for secret meetings with Mr Singer. "I was doing the heating up, and he was doing the resolving," says Mr Singer.

The meetings led to the signing on May 2 of a memorandum of understanding between the bankers' association and various Jewish organisations led by Mr Edgar Bronfman, 67, head of the Seagram drinks giant and chairman of the World Jewish Congress. The agreement sets up a committee of six eminent people - three from each side - who will oversee the work of an international firm of auditors which has been promised "unfettered access" to all relevant files in Swiss banks. They will investigate "dormant bank accounts and other assets and financial instruments deposited 'before, during' and immediately after the second world war".

However, the agreement goes much further in requiring the two sides to "co-operate to assure that the Swiss government will deal with the question of looted assets in Swiss banks or other institutions which were not reported or returned". This will take the investigation into the role Swiss financial institutions are alleged to have played in concealing assets plundered by the Nazis from the countries they occupied.

Mr Singer's researchers have been sifting through more than 15,000 files recently declassified as a result of pressure from the US Senate Banking committee chaired by Mr Alfonse D'Amato, the New York senator. The files - which include archives of the Stasi, the former East German secret police - are expected to throw light on events such as SS boss Heinrich Himmler's decision to guarantee the freedom of 15,000 Hungarian Jews in 1945. The shipments of gold, diamonds,



foreign currency and paintings taken as payment by Himmler have yet to be traced.

Mr Baer insists that most of the information coming out is already "extremely well known" by anyone who has bothered to read the history of the period. But the Swiss government is worried about the damage to the country's international image if the Swiss banks and the Swiss National Bank are found to have been involved in laundering such transactions. Switzerland knows that Austria's

international reputation was damaged when details emerged of the wartime record of Mr Kurt Waldheim, the country's president and former UN secretary-general. At the height of the Waldheim affair, Mr Bronfman, for example, lobbied hard against Austrian membership of the European Union "until it faced its past". For a country like Switzerland - already trying to shake off its image as a safe haven for shady money - a similar campaign could make it harder to forge closer ties with the EU.

Last year the Swiss government for the first time apologised for its treatment of Jewish refugees during the war. And less than a week after the signing of the agreement setting up the new investigation, Mr Kaspar Villiger, who served as Switzerland's president last year, reached agreement with the World Jewish Congress on legislation to help the inquiry. This will facilitate a "thorough legal and historical investigation and scientific study of the extent and fate" of Jewish assets in Switzerland between 1933 and 1945.

Mr Volcker's role in the investigation will be critical. He has on his committee Professor Curt Gasteyger, a Swiss historian, Mr Alain Hirsch, an expert on securities and accounting, and Mr Klaus Jacobi, a former Swiss ambassador to the US. Mr Avraham Burg, chairman of the Jewish Agency, Mr Reuben Beraia, chairman of the Latin American Jewish Congress, and Mr Ronald Lauder, of the Swiss Jewish community, represent the Jewish side. Mr Volcker, the only man on the committee without a vested interest, will have the casting vote.

Mr Baer believes the committee's priorities will be to decide issues such as the definition of dormant accounts, the matching of claims to assets, and how to decide which accounts are "Jewish". He argues that Swiss banks have been "harshly criticised" and see the problem primarily in public relations terms. If the PR had been handled better, Switzerland, and its banks, would not now be standing in the dock.

But Mr Singer believes the Swiss are panic-stricken, and are finally starting to try to put to rest issues which should have been sorted out decades ago. He is keen for the committee to look into the wider question of looted assets which may have been transferred to Swiss banks and the Swiss National Bank. "I want to see lists of transfers. I want to see where the banks sent the funds," says Mr Singer.

Mr Volcker will have to draw on all his formidable negotiating skills if he is to satisfy both sides in this emotive episode of history.

One docile Slavic nation is sliding back to Soviet-style dictatorship, warns Chrystia Freeland

## When a harvest brings home the bad old days

When Mr Boris Yeltsin, the Russian president, resoundingly defeated his communist rival in last month's presidential poll, his victory was celebrated as a final defeat for the totalitarian Bolshevik ideology.

But while Moscow toasts the death of communism, a Soviet-style dictatorship is being resurrected in nearby Minsk, capital of Belarus, the small slavic state that hugs Russia's western flank. Earlier this week, two of the leaders of the opposition Belarusian National Front sought political asylum in the US saying they risked murder or imprisonment if they returned home. Their political flight is the most recent evidence of the steady slide towards dictatorship since the state of 10m people elected Mr Alexander Lukashenko as president in July 1994.

"You should never underestimate Lukashenko," says one official. "The political landscape of Belarus is littered with people who underestimated the president."

Mr Lukashenko has spent the two years since his surprise election victory retrieving the symbols and practices of the Soviet era discarded by the country's first post-communist administration. The republic's Soviet-era flag, complete with hammer and sickle, has been restored as the nation's official emblem and Russian, the lingua franca of the USSR, has again forced on the Belarusian tongue as the country's official language.

Under Mr Lukashenko's reign, Belarus has even reverted to the trigger-happy antagonism towards the west which characterised the cold war. Last September two American pilots were killed when their balloon strayed into Belarusian airspace and they were shot down by border guards.

Minsk remains unrepentant. The president, a former collective farm boss who dreams that one day he will be leader of all the eastern Slavs, also has a penchant for cold war era intrigues. He periodically accuses his critics in the press and parliament of working for the US Central Intelligence Agency.

And he has been adept at using his regime's monopoly over radio and television stations to boost his personal support. Mr Lukashenko is the nation's most popular politician with a public approval rating of 40 per cent.

The president's ability to cast a spell over his traditionally docile people has been enhanced by the country's weak sense of national identity. Belarus has only the shakiest claim to a history as an independent state. The country's language - similar to other eastern Slavic languages such as Ukrainian and Russian - had all but died out until it was revived when Belarus unexpectedly found itself independent in 1991.

Mr Lukashenko has played on this national weakness by promising to reunite his country with Russia, a pledge which goes down well with its people still yearning for the security of the Soviet Union. At a glittering ceremony in Moscow in April, he exchanged kisses and vodka toasts with Mr Yeltsin after forming a "political and economic union" between their states.

To crown these achievements, Mr Lukashenko is now demanding constitutional amendments to extend his term in office from five to seven years and enhance his control over the parliament and constitutional court. It is this prospect that has



Lukashenko: penchant for intrigue

united Belarus's traditionally weak and divided opposition parties, ranging from the National Front to the communists.

Seven parties have signed a joint declaration denouncing the president's plans. And last Saturday, on the sixth anniversary of Belarus's declaration of independence, thousands of protesters gathered in Minsk to hear speakers accuse the president of trying to establish "a totalitarian regime".

"We must defend Belarus against dictatorship and prevent it from becoming a police state or a banana republic," said Mr Stanislau Bahdankevich, a respected former head of the central bank who now leads Civic Action, a reformist opposition party. "We are now united. It is Lukashenko who united us through his excesses and blatant violations of the law."

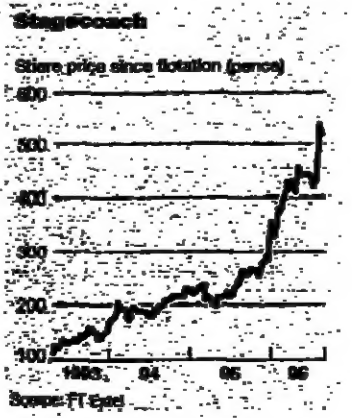
Mr Lukashenko promptly banned all public rallies, on the grounds that during the harvest season "everyone must work instead of organising campaigns to remove the president". At a televised government meeting he informed that nation that he intended to serve at least two more terms as president, and warned opponents that "should anyone try to remove me, I would remove him first, even while he is just thinking about it".

Such crude outbursts are typical of a man who has threatened to deploy missiles against the west and praised Hitler. But western diplomats in Minsk have long warned that the Belarusian leader is a far sharper politician than he may sometimes seem. If parliament refuses to endorse his "totalitarian" constitution, he plans to put it to a national referendum. And even as they accuse the president of violating democratic norms, many of Belarus's dejected opposition politicians concede that the president is likely to win such a vote.

This descent into authoritarianism could become a major embarrassment for Mr Yeltsin. His alliance with the Belarusian leader strengthened his hand in fighting a communist rival who promised to bring back the Soviet Union. But the friendship has drawn strong criticism from Russia's democratic politicians, who accuse Mr Yeltsin of propping up his public political support and the subsidised energy Belarus continues to receive from its wealthier neighbour.

Leasing is uncharted territory for the fast-growing bus and train company, argues Bernard Gray

## Stagecoach's magical mystery tour



seep back into profits later. Bus operations also have the natural advantage of generating strong cash flows. Customers pay before they travel and bad debts are low, while fuel and maintenance will be settled later on normal commercial terms. Acquisitions funded by debt can thus quickly be made to pay for themselves.

Overall, Stagecoach bought poorly managed businesses at low prices early in the industry consolidation, and then quickly cut costs to boost margins. Part of Stagecoach's rapid growth can also be attributed to the government's decision to split the bus industry into artificially small companies. Stagecoach and others such as First Bus

have simply profited from the aggregation of the industry into more viable patches, which are also largely local monopolies.

Stagecoach's aggressive tactics of driving smaller competitors off the road have come in for a lot of criticism. But from a financial perspective it is hard to fault the company's single-minded determination to wring profits out of its bus business.

The company's early foray into rail privatisation has a similar feel. It acquired the franchise for South West Trains, which operates from Waterloo, for £1 and there is scope to cut costs and boost margins even though the rail unions will be a tougher nut to crack than the bus drivers.

This week's departure into leasing is a different matter, however. Borrowings to fund the deal mean that net debt will have risen alarmingly, from £127m before the acquisition of Porterbrook to £577m if the full debt associated with the acquisition is included. This is mitigated by the strong cash flow of other parts of the business and by the government-guaranteed income from the leases, but still increases the company's obligations substantially.

The valuation of Porterbrook's business is also critically dependent on what the company's rolling stock is worth when it is returned

at the end of its seven-year lease: something only the foolhardy would try to assess with any confidence.

Of more concern is the fact that Stagecoach now intends to plunge further into an unknown area of leasing by buying new trains to lease out as replacements for ageing stock. This is a very different creature from the comparatively simple business of running buses.

The risks to Stagecoach's phenomenal, if controversial, success come from the high level of debt it has taken on. This creates inflexibility if the company has to deal with rising interest rates, a recession or price-caps imposed by an unsympathetic government.

Stagecoach's management, charged with the adrenalin of success, is also taking on a huge variety of new businesses: its shotgun approach to bidding for all the rail franchises for example, hardly encourages the impression of selectivity. Even its admiring competitors point to the recent lack of progress on buses as senior managers have focused on trains. They wonder if the company is not trying to run too fast.

"We are aware of the management issues," says Mr Keith Cochran, finance director. "But we are confident that we are focusing on two businesses we know well - buses and trains."

Even so, the complex business of leasing itself poses a risk to Stagecoach, given the uncharted nature of the market. Despite the worries of observers, it is not what Stagecoach did yesterday which is the real cause of concern. It is what it may do tomorrow which should trouble those of a nervous disposition.







## UNIT TRUSTS

## WINNERS AND LOSERS

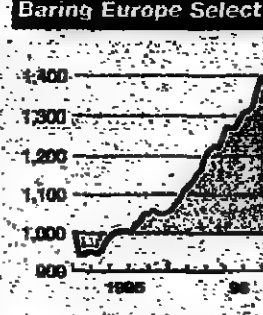
## TOP FIVE OVER 1 YEAR

NetWest UK Smaller Cos	1,459
Franklin Health	1,405
Invesco UK Smaller Companies	1,361
Invesco European Small Cos	1,349
Baring Europe Select	1,297

## BOTTOM FIVE OVER 1 YEAR

Old Mutual Thailand Acc	750
Exor Warrant	736
Old Mutual Emerging Asia Inc	815
F&O Emerging Asian	815
BT Korean Securities	842

## Baring Europe Select



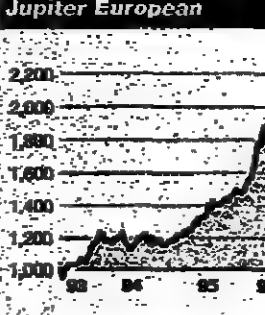
## TOP FIVE OVER 3 YEARS

Morgan Grenfell Europe	2,161
Proffitt Technology	2,141
Baring Europe Select	2,133
Jupiter European	2,092
Old Mutual European	1,939

## BOTTOM FIVE OVER 3 YEARS

State & Prosper Korea	724
Samet Japan	741
Banque Uni Japan & Gen Inc	765
Banque Uni Japan & Gen Inc	765
Pen Arrows Japan	765

## Jupiter European



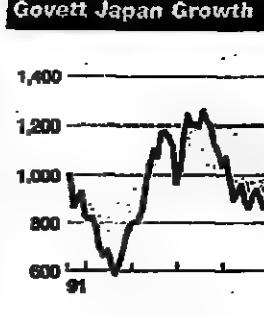
## TOP FIVE OVER 5 YEARS

Public Technology	4,000
Morgan Gold & General	3,470
PM North America Growth	3,432
Barclays US Emerging Cos	3,346
Barclays US Smaller Cos	3,303

## BOTTOM FIVE OVER 5 YEARS

Friends Prov Japan Sm Cos	736
Barclays Uni Japan & Gen Inc	882
Barclays Uni Japan & Gen Inc	931
Govett Japan Growth	955
Mercury Japan	974

## Govett Japan Growth



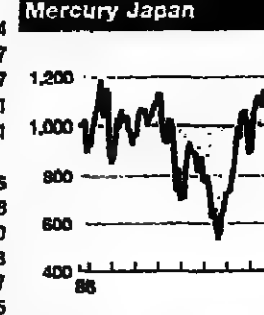
## TOP FIVE OVER 10 YEARS

Friends Prov Australian	7,464
Abbey Asian Pacific	6,277
Gartmore Hong Kong	6,237
Invesco S E Asia	6,131
HSBC Hong Kong Growth	6,061

## BOTTOM FIVE OVER 10 YEARS

Barclays Uni Japan & Gen Inc	878
Mercury Japan	920
M&G Japan & General Acc	1,018
CU PPT Japan Growth	1,077
Five Arrows Japan	1,185

## Mercury Japan



Tables show the result of investing £1,000 over different time periods. Trusts are ranked on 3-year performance. Warning: past performance is not a guide to future performance.

Source: HSW (01625 511311)

## Indices

Index	1990	1991	1992	1993	1994	1995	1996
Average Unit Trust	1000	1040	1080	1120	1160	1200	1240
Average Investment Trust	1000	1040	1080	1120	1160	1200	1240
Bank	1000	1040	1080	1120	1160	1200	1240
Building Society	1000	1040	1080	1120	1160	1200	1240
Securities	1000	1040	1080	1120	1160	1200	1240
Unit Trust	1000	1040	1080	1120	1160	1200	1240

## UK Growth

Index	1990	1991	1992	1993	1994	1995	1996
Jupiter UK Growth	1259	1797	2384	2971	3558	4145	4732
Barclays Uni Leisure	1168	1562	1956	2350	2744	3138	3532
Barclays Uni Leisure	1168	1562	1956	2350	2744	3138	3532
Martin Currie UK Growth	1124	1528	1932	2326	2720	3114	3508
Penarocks Growth	1139	1510	1904	2298	2692	3086	3480
SECTOR AVERAGE	1077	1303	1608	1913	2218	2523	2828

## UK Growth &amp; Income

Index	1990	1991	1992	1993	1994	1995	1996
Morgan Grenfell UK Equity Inc	1044	1432	1820	2208	2596	2984	3372
Cazenove UK Equity	1114	1430	1746	2062	2378	2694	3010
Credit Suisse Growth Part Inc	1085	1428	1804	2180	2556	2932	3308
Mercury UK Equity	1078	1420	1800	2180	2560	2940	3320
Lazard UK Income & Growth	1060	1383	1721	2059	2397	2735	3073
SECTOR AVERAGE	1036	1253	1584	1915	2246	2577	2908

## UK Smaller Companies

Index	1990	1991	1992	1993	1994	1995	1996
Hill Samuel UK Emerging Co's	1252	1839	2426	3013	3600	4187	4774
INVESTCO UK Smaller Companies	1361	1749	2336	2923	3510	4097	4684
AES Smaller Companies	1296	1728	2315	2902	3489	4076	4663
Waverley Penny Share	1067	1687	2274	2861	3448	4035	4622
Credit Suisse Smaller Co's Inc	1209	1679	2266	2853	3440	4027	4614
SECTOR AVERAGE	1141	1579	2166	2753	3340	3927	4514

## UK Equity Income

Index	1990	1991	1992	1993	1994	1995	1996
Jupiter Income	1188	1738	2288	2838	3388	3938	4488
GT Income	1161	1661	2211	2761	3311	3861	4411
BWD UK Equity Income	1081	1418	1804	2190	2576	2962	3348
Lazard UK Income	1077	1398	1772	2146	2520	2894	3268
Britannia High Yield Inc	1106	1369	1684	2058	2432	2806	3180
SECTOR AVERAGE	1081	1224	1561	1898	2235	2572	2909

## UK Equity &amp; Bond Income

Index	1990	1991	1992	1993	1994	1995	1996
Bullfinch Growth & General	1081	1374	1706	2038	2370	2702	3034
Proffitt Extra Income	1069	1280	1602	1924	2246	2568	2890
Cazenove UK Equity & Bond	1044	1250	1562	1874	2186	2498	2810
CU PPT High Yield	1077	1230	1506	1838	2170	2502	2834
Edinburgh High Distribution	1019	1158	1408	1738	2068	2398	2728
SECTOR AVERAGE	1019	1158	1408	1738	2068	2398	2728

## UK Eq &amp; Bd

Index	1990	1991	1992	1993	1994	1995	1996
BWD Balanced Portfolio	1105	1485	1781	2077	2373	2669	2965
Credit Suisse High Income Port	1091	1384	1680	1976	2272	2568	2864
NFI UK Extra Income Inc	1075	1347	1619	1891	2163	2435	2707
Perpetual High Income	1050	1289	1551	1813	2075	2337	2599
Bullfinch Managed	1049	1247	1509	1771	2033	2295	2557
SECTOR AVERAGE	1080	1248	1509	1771	2033	2295	2557

## UK Fixed Interest

Index	1990	1991	1992	1993	1994	1995	1996
Franklin Convertible	1080	1288	1496	1704	1912	2120	2328
Abnvest Fixed Interest	1118	1281	1444	1607	1770	1933	2096
Thornhill Preference Inc	1046	1219	1382	1545	1708	1871	2034
Exter Zero Preference	1015	1180	1343	1506	1669	1832	1995
Bullfinch & Bond	1073	1172	1271	1370	1469	1568	1667
SECTOR AVERAGE	1057	1102	1248	1394	1540	1686	1832

## International Equity Income

Index	1990	1991	1992	1993	1994	1995	1996
Pembroke Equity Income	1058	1328	1598	1868	2138	2408	2678
GT International Income	1089	1207	1477	1747	2017	2287	2557
Martin Currie Int'l Income	1029	1207	1477	1747	2017	2287	2557
Mayflower Global Income	1027	1191	1454	1717	1980	2243	2506
M&G International Income	1027	1174	1437	1699	1962	2225	2488
SECTOR AVERAGE	1036	1184	1446	1708	1970	2232	2494

## International Fixed Interest

Index	1990	1991	1992	1993	1994	1995	1996
Thornhill Dredner Europe Bond	1048	1170	1292	1414	1536	1658	1780
Baring Global Bond	1091	1157	1223	1289	1355	1421	1487
Guinness Flight EMU	1088	1141	1194	1247	1300	1353	1406
Barclays Uni European Bond Inc	1067	1136	1205	1274	1343	1412	1481
TSB International Income Inc	1052	1125	1198	1271	1344	1417	1490
SECTOR AVERAGE	1063	1055	1143	1231	1319	1407	1495

## International Equity &amp; Bond

Index	1990	1991	1992	1993	1994	1995	1996
NFI Worldwide Income Inc	1083	1383	1683	1983	2283	2583	2883
Cazenove Portfolio	1088	1288	1488	1688	1888	2088	2288
Gartmore PS Long Term Balance	1095	1295	1495	1695	1895	2095	2295
Bank of Ireland Ex Mgd Growth	1071	1310	1549	1788	2027	2266	2505
Templeton Global Balanced Acc	1060	1293	1526	1759	1992	2225	2458
SECTOR AVERAGE	1057	1199	1432	1665	1898	2131	2364

## International Growth

Index	1990	1991	1992	1993	1994	1995	1996
Proffitt Technology	1123	1741	2359	2977	3595	4213	4831
Franklin Growth	1405	1883	2361	2839	3317	3795	4273
Britannia Int'l Spec Op's Acc	1106	1598	2090	2582	3074	3566	4058
HTR Global Technology	1036	1259	1482	1705	1928	2151	2374
Scott Global Technology	1040	1259	1482	1705	1928	2151	2374
SECTOR AVERAGE	1032	1236	1439	1642	1845	2048	2251

## Nth America

Index	1990	1991	1992	1993	1994	1995	1996
Hill Samuel US Smaller Co's	1321	1833	2345	2857	3369	3881	4393
PM North America Growth	1164	1657	2149	2641	3133	3625	4117
Gartmore American Emerging	1212	1615	2007	2399	2791	3183	3575
Govett American Growth	1077	1380	1683	1986	2289	2592	2895
Royal Life United States	1178	1581	1984	2387	2790	3193	3596
SECTOR AVERAGE	1108	1339	1673	1971	2269	2567	2865

## Europe

Index	1990	1991	1992	1993	1994	1995	1996
Morgan Grenfell Europe	1323	2161	2829	3497	4165	4833	5501
Baring Europe Select	1337	2130	2789	3447	4105	4763	5421
Jupiter European	1321	2012	2673	3331	3989	4647	5305
Old Mutual European	1228	1938	2600	3262	3924	4586	5248
INVESTCO European Small Cos	1349	1936	2598	3260	3922	4584	5246
SECTOR AVERAGE	1078	1490	1871	2252	2633	2914	3295

## Japan

Index	1990	1991	1992	1993	1994	1995	1996
Hill Samuel Japan Technology	1080	1141	1361	1422	1642	1703	1923
F&O Anglo Nippon Exempt	1120	1072	1236	1297	1461	1522	1686
GT Japan Growth	1046	1054	1120	1186	1252	1318	1384
Old Mutual Japan	1058	1053	1148	1143	1238	1233	1328
Schroder Tokyo Inc	897	1046	1149	1252	1355	1458	1561
SECTOR AVERAGE	1014	896	1119	1150	1273	1304	1427

## Far East inc Japan

Index	1990	1991	1992	1993	1994	1995	1996
Schroder Far East Growth Inc	1019	1370	2019	2668	3317	3966	4615
Old Mutual Far East Growth	1021	1310	2038	2687	3336	3985	4634
Govett Greater China	986	1281	1926	2575	3224	3873	4522
GAM Far East Inc	1006	1248	1887	2426	3065	3704	4343
Sun Life Far East Growth Acc	954	1246	1781	2320	2859	3398	3937
SECTOR AVERAGE	986	1145	1801	2340	2979	3618	4257

## Far East ex Japan

■ <b>International Equi</b>
NPI Worldwide Income Inc
Distinove Portfolio
Gartmore PS Long Term Balanc
Bank of Ireland Ex Mgd Growth
Templeton Global Balanced Acc



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# Weekend FT



## Guns: to ban or not to ban

Richard Donkin asks shooters why they shoot and examines the arguments surrounding the private ownership of weapons

As I wandered among the hundreds of shooters gathered together for the annual meeting of the National Rifle Association at Bisley in Surrey last week, it was difficult to imagine a more peaceful atmosphere. The red telephone boxes and pavilions evoked another era.

"If you drop your wallet at Bisley, 99 times out of 100 you're going to get it back. These are law-abiding people. The most important thing to them is their firearms certificate and they can't risk losing it," said Roger Hanley, secretary of the London & Middlesex Rifle Association.

But the atmosphere at Bisley was not quite the same this year. There was a discernible tension among the association's members.

Shooting is struggling to emerge from the shadow of Dunblane, the Scottish town that fell victim to the murderous rampage of Thomas Hamilton, the handgun enthusiast who, in March, killed 16 chil-

dren and a teacher before turning his gun upon himself.

Hamilton might have been regarded as a one-off had there not been other examples: there was the killing spree of Michael Ryan in Hungerford in 1987 and, latterly, the indiscriminate shooting by a single gunman of 33 people in Tasmania.

Shooters have been cast as moral pariahs since the Dunblane massacre. Opinions have become polarised and arguments for and against the possession of weapons have been charged with emotion.

This week, there were angry exchanges in the UK following reports that the Conservative majority on the Commons Home Affairs Committee had decided against banning the private ownership of handguns. The five Labour members dissented. And the government said it would wait for the findings of Lord Cullen's inquiry into the Dunblane killings before it ruled either way.

The debate highlighted the divisions: opponents of a ban were accused of giving in to

pressure from the gun lobby and of being out of touch with public opinion, while John Greenway, a Conservative committee member, said his side had the backing of senior police associations and that, in any case, a ban on handguns would be impractical.

"We took the view that it is not legally held firearms that cause the problem in this country. It is the way that firearms certificates are issued where the law needs to be strengthened," he said.

On the other hand, Anne Pearson, one of the organisers of the Snowdrop petition, drawn up after the Dunblane tragedy to call for a ban on handguns, said: "To say that a ban would be impractical and do nothing is a nonsense."

"We have had two massacres by people holding legally held handguns in this country and it is unacceptable for people to live with that risk any more."

Few who shoot would claim to be unaffected by the killings. Hanley recalled his own reaction. "I was in my car on

the way to a meeting when I heard of the shooting on the radio. I had to stop the car and go for a walk to think about it."

"I was going to come in here and reason. Did I really want to be involved in a sport if, when things go wrong, it could lead to this?"

Is it too easy to blame guns when we should be questioning ourselves?

Others faced similar self-examination. "There was a black cloud over this place for a month. Everybody was down. Activity was down. Not one person I have spoken to felt anything but disgust at what happened," said Hanley, who did not, in the end, resign. Slowly, shooting returned to its previous levels.

In the meantime, Lord Cullen's inquiry was taking evidence. The 10 most influential shooting associations put their backing behind the British Shooting Sports Council which submitted its case last month.

The united stance, however, masks a cross-section of disparate views covering everything from the presentation of the sport and shooters' rights, to the nature of any future legislation. Such are the sensitivities among shooters that many even regard the label "gun lobby" as pejorative.

Some, however, are beginning to mobilise their arguments so that those who do not shoot might begin to understand the rationale behind the sport.

After all, why do people want to shoot? Is shooting to blame for what happened in Dunblane? Or was it something else? Is it too easy to point the finger at gun-owners when each of us should be asking questions of ourselves and the way we live?

Eric Bettelheim, a City-based

derivatives lawyer and secretary of the recently formed Countryside Business Group, is probably as well qualified as anyone to pronounce on the psychology of shooting. His late father, Bruno Bettelheim, a survivor of Dachau and Buchenwald concentration camps, was a leading psychoanalyst in the US whose reputation was built working with autistic children.

Bettelheim shares his office with a placid Labrador dog called Murphy and a ferocious-looking wall-mounted trophy of a Barracuda. He likes nothing better than to escape the complex world of derivatives law by accompanying his dog on a deer-stalking expedition in the wilds.

"I started rifle-shooting at summer camp in the US. My interest is woodland stalking. I like being out in the woods with the deer and my dog. I think it's a wonderful solitary relief from the lifestyle I otherwise inhabit of fear, greed and anger," he said.

"The motivation is not blood-

lust and cruelty. If that were the case it would have died out years ago. The motivation for people like me is, from time to time, to be able to come into close contact with nature as it really is, including the cycle of life and death."

Bettelheim believes that urbanisation has distanced society from the realities of life and death. He said: "Before, it was sex and money, but now the real hypocrisy concerns death: it's what the modern world conceals from itself. Yet, at the same time, we indulge in images of violence in videos and films."

Bettelheim is convinced that

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Joe Rogaly

## Beware of the gender trap

Those were the days, when Dad worked and Mum ironed...

Oh for the simple life, when Dad went out to work and Mum prepared his meals, did the washing and looked after their progeny.

Sorry. Did I say that? My hand is clapped over my mouth. I did not mean it, honest. It just slipped out. It is the sort of thing you would expect to be proclaimed by Edward Leigh, the Conservative member for Gainsborough and Horncastle. Actually he did proclaim it, in parliament, just the other day.

Women and men were equal, he conceded, but they were very different. "I believe that the old-fashioned concept of the family, usually based on the man working and the woman staying at home and bringing up the children, is right." (That sort of family bolstered society.)

We do not wish to be found in the company of such as Mr Leigh. Let us begin again, put incorrect thinking behind us, start with a clean sheet. Here goes:

What the world needs is more gender equity. If organisations and enterprises cannot accommodate people who

want both a good job and plenty of time with the family, then the way they work must be changed. This was the import of a recent Labour motion on "family-friendly employment".

Tessa Jowell, opening for the newly respectable people's party, quoted various authorities in support of flexible working practices. I will not list them all. Just let us say that it is easier for a man to help keep house if he works part time, or if he can take hours off to care for children or frail elderly relatives, or if he shares his job with someone else.

Such "family-friendly" practices may sound like profit destroyers, enemies of the shareholders. Not a bit of it. Ms Jowell cited reports of savings in recruitment and retraining costs, plus other benefits to capitalism, such as continuous six-day working without the need for overtime. This new orthodoxy is supported by a growing pile of learned papers.

Do not turn away. These can be a joy to read. Get an academic friend to provide you with one for the holidays. You

could tell the family you have a spot of work to do. The "working paper" I have before me comes from the MIT Sloan School of Management. Three teams of Ford Foundation-funded researchers from separate institutes have studied three large companies - Xerox, Corning, and Tandem Computers. The MIT-based team went to Xerox.

Their report says that "in situations where 'ideal workers' are assumed to be those whose first allegiance is to work, people with career aspirations go to great lengths to hide their practical commitments to families". Men may have pictures of their wife and children on their desks. Ambitious women keep clear of such "family reminders".

Some employees give false reasons for leaving in the middle of the day if the purpose is, for example, to take a child to a doctor. Some secretly take their young on business trips. Others leave their computers on while they go to pick up the children from, say, a sports event, "so people walking by will think they are in a meeting".

Not all of this is new. There is a gentleman in a certain London company who many years ago purchased a second jacket for one of his suits. It is never worn, just hung casually on his coat stand. It has been there for years. Look in on his office and you think he has popped out for a moment. It could be hours. For all any of his colleagues know he uses this camouflage to provide time to make soup for his grandmother.

The solution, according to the MIT team's report, is first to acknowledge that work life and family life have become interdependent, then change the way things are done. It records what happened when this was tried at various sites. At an administrative centre where most workers were

women, hours were rigid. Managers feared change; it could mean lower productivity. The costs of doing nothing included "unplanned absences, lack of coverage... backlash against people who took the time they needed."

Flexibility was introduced. Absenteeism fell by 30 per cent. Coverage improved, with the result that contact was made with more customers. Employee in-fighting subsided.

A similar happy ending is tacked on to the story of another workplace, where the subjects were mainly men, professional engineers. "The team operated in a continual crisis mode that created enormous stress..." says the report. Its authors challenged the engineers' use of time. One group did something about it. They planned their days, taking the family into account. Hey presto! Their product was launched on time and the engineers won excellence awards.

The happy train of thought runs off the rails at an unnamed sales and service district. Most service workers were men, but plenty of women worked in sales. Team-

work was promoted, cover extended. Family life benefited. Sales rose above budget and service improved.

Alas, that is not the whole story. While the authors were there there was "considerable turnover and turmoil". Downsizing, management changes, and consolidation of the service districts had a "demoralising effect". Employees felt "discouraged" about the possibility of linking personal needs to work practice.

It makes you think. Is gender equity an optional extra, a luxury experiment to be undertaken in good times only? That has been said of environmental protection, anti-discrimination, health and safety regulation, and product reliability inspections. If it is applied to "family-friendly" methods of work we might be tempted give up trying to treat men and women equally and go back to the traditional divide between home and work. In your dreams, Mr Leigh. Me! I stay awake.

*Re-linking work and Family. Copies available from Loretta E. Cairns, MIT, 50 Memorial Drive, E53-540, Cambridge, MA 02142-1347*

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PERSPECTIVES

The Nature of Things

# How toads can help you hear properly

Clive Cookson on the process called stochastic resonance, a potential aid for treating deafness

If you are listening out for a weak signal, the last thing you want is random background noise or interference that blots out what you are trying to detect. Communications specialists have been working on this principle for more than a century, trying to filter out all extraneous noise so that the signal comes across as clearly as possible.

But a delightfully counter-intuitive approach, now gaining favour in a range of sciences from biology to electronics, takes the opposite tack. In some circumstances, faint signals are easier to pick up when random noise is added.

Stochastic resonance, as the process is called, started out as a mathematical explanation for the recurrence of ice ages. In little more than a decade, it has developed into a potential aid for treating deafness.

The latest research, published this week in the journal *Nature Medicine*, suggests that noise

should be added deliberately to improve the performance of cochlear implants - electronic devices that can restore rudimentary hearing to people who are profoundly deaf. Ted Evans and Robert Morse, of Keele University, used an isolated sciatic nerve from the xenopus toad as a model to study the human auditory nerve; they showed that random noise could "dramatically improve" the nerve's response to electrical stimuli, representing a range of vowel sounds.

Stochastic resonance occurs in certain non-linear systems - those in which the output does not change steadily as the input varies. A proper explanation is highly

mathematical but to get an idea of the process, imagine a regular signal that is too faint ever to reach the lowest threshold of the detector; it records total silence. Then add random noise at a level that sometimes - but not always - triggers a response in the detector. You may think you have swamped the faint signal but in fact you have raised it to the level where it is detectable - so long as you have a processing system that is capable of extracting the small component of useful information, represented by the original signal, from the noise.

Three Italian scientists (Roberto Benzi, Alfonso Sutera and Angelo Vulpianti) came up with the theory

in the early 1980s, to explain a climatological puzzle: why ice ages appear to occur every 100,000 years or so. The climate cycle follows fairly closely a periodic wobble in the earth's orbit around the sun, which affects the amount of solar radiation reaching the earth. But this effect seems too small to have such a drastic impact on climate. The Italians proposed that a large number of more powerful influences (such as gigantic volcanic eruptions and meteorite impacts) act as strong "noise" that boosts the weak cycle caused by the earth's wobble.

Although the ice age theory remains unproven, the concept of

stochastic resonance intrigued scientists in other fields. A French group confirmed the effect in an electrical circuit containing a non-linear device called a Schmitt trigger: as random noise increased, a weak signal became clearer - up to a certain point, after which the circuit really did become too noisy to detect any pattern.

During the late 1980s and early 1990s, physicists demonstrated stochastic resonance in various other systems including laser beams, radio transmissions and quantum devices. Then biologists started to take an interest, realising that the effect might help animals pick up faint signals, such as the sound of

an approaching predator, in a noisy environment.

Frank Moss and colleagues at the University of Missouri focused on the crayfish. Its tail has tiny hairs whose purpose is to detect movements in the water caused by predatory fish swimming nearby. Experiments with crayfish hairs and their associated nerves confirmed that they were far more sensitive in noisy conditions (such as a fast-flowing river) than in total quiet.

Back in Italy, Enrico Simonotto of the University of Genoa showed recently that the same effect can make it easier for people to see faint visual images. Shapes that are too dim or hazy to make out on a

quiet video screen can be distinguished when random digital "noise" is added to the picture elements. This discovery could perhaps be applied by the designers of night vision equipment.

Biologists suspect that stochastic resonance may be a common feature of animals' sensory systems: networks of nerves may generate their own noise so as to pick up weak signals.

If so there could be many medical applications beyond the cochlear implants, to enhance the sensitivity of people with disorders of the nervous system. For example, disease can desensitise the "proprioceptor" cells that sense the movement of limbs - causing problems with walking and maintaining balance. The affected limbs might be treated with low-level electrical or mechanical "noise".

As Moss says, it is tribute to modern science that an obscure phenomenon of non-linear statistical physics should find its way so fast into practical neurophysiology.

The seasonal free gift that Annoushka Ducas dreamed up one Christmas to promote fresh fish, has developed into a thriving business. Formed in early 1991, with capital funding of £2,000, Links of London is expected to turn over more than £4m this year. It has already won two jewel industry awards.

In 1989, after the death of her mother, Annoushka Ducas, then aged 23, inherited the managing directorship of the family business, Rockport Fish, a Sussex company specialising in buying fish direct from the boats for sale to London's top restaurants.

Two years later, in the run-up to Christmas 1990, the time came to decide what presents to give her customers, some of them chefs at renowned London restaurants such as The Connaught, Claridge's and Scots. Ducas turned to her hobby, designing silver jewellery, and had some fish-themed cufflinks made.

The presents were so well received that she approached two big London department stores with pairs that were surplus.

"I very quickly recognised that there was a definite gap in the market for men's accessories, particularly cufflinks. No one was making themed cufflinks at all at that time, and there is very little a man can wear that will actually make a statement at all. He wears a suit, so the cufflinks and the tie are about the only two things."

Harrods and Harvey Nichols asked to see more of her work. So she created five new designs.

Meanwhile, Ducas spotted another market gap for what she calls "affordably upmarket goods".

She said: "It was just the beginning of the recession, so we kept our accessories very affordable. They were presents people would buy for £40-£45, but we looked as if they had cost £140."

"Then, as now, taking the utmost care in packaging and presentation was the key to achieving this effect."

She got back to Harrods and Harvey Nichols with her range of six cufflinks, and met with success; and, after setting up Links of London, experienced the pressures of running two businesses simultaneously.

"It all happened relatively quickly. In year one we turned over £72,000. I still had Rockport Fish to run. I was doing fish from 8am until noon, when I would do silver. Then, from around 7pm until midnight I would be on the phone to my chief customers. I was going to bed at 12 and getting up at five. It was quite a hard slog."

When she and John Ayton, her husband, decided to consolidate the Links of London identity by opening their own outlets, Ayton's experience as a



Annoushka Ducas: "If you don't know what your management accounts are, how can you plan for the future?"

## Minding Your Own Business

# A fishy tale with a silver lining

Simon Walsh on an unusual company start-up

solicitor came into its own.

"In November 1993, we opened our first retail shop in Broadgate, (near Liverpool Street station, London) very much as a corporate shop window, and also to get customer feedback, both for ourselves, and to pass on to our wholesale customers."

"I have to say we were extremely lucky in terms of site and rent, the city was at the time fairly undervalued in terms of retail premises, and I think it probably still is."

"My husband, who is also my business partner, used to work in the city as a solicitor. He used to walk past this site every day. One day it was empty, and he said 'I think I've found the perfect site'."

"I can't think of a better shop window."

In 1994, it was decided to sell Rockport Fish to concentrate fully on Links of London. A

year later, in February 1995, the company brought off what Ducas considers to be its greatest coup, a prime site shop in Heathrow Airport's Terminal One.

Links of London accessories can be found on all British Airways international flights and on the Venice-Simpson Orient Express. It also sells its motif jewellery to the London Stock Exchange, Wickers, Warburgs, and Barclays de Zoete Wedd and has been appointed the exclusive licensee for silver giftware and jewellery to the All England Lawn Tennis Club.

Ducas attributes her company's success, and the speed with which it has come, to meticulous cash-flow management.

"We have very good management accounts every month. I

think management accounts are most important, probably the most important. If you don't know what your management accounts are, how can you plan for the future?"

Although running a tight budget, Ducas and her husband eschew false economies. When in early 1990, it was time to establish a corporate image and produce a brochure, the look they wanted was expected to cost them £10,000. So that's what they spent on it.

Ayton says: "I agree, £10,000 seems a lot. But the quality of the brochure and of the styling has been something that has set a standard for the last five years. It's definitely been money well spent."

"Since we view our brand in terms of long-term penetration and growth in the UK and abroad, we need to focus on quality, and that is not cheap."

For the future, Links has set

its sights firmly eastwards.

"The Middle East may be a possibility, we've got one or two people interested in opening shops in Bahrain and Dubai," says Ducas.

She adds: "We have had a lot of Japanese coming through our shops. They love the packaging, they love the look, so we are hoping to find a partner there."

"We are looking at Japan on three different levels. The corporate market there is absolutely phenomenal, and we have already done quite a bit of work in Japan on that side. Mail order is a very big issue in Japan as well, and that is something else we are looking at. I think our product could do extremely well there."

Links of London, 48/50 Chepstow Place, London W2 4TB. Tel: 0171-792 8182, fax: 0171-792 0157.

## Truth of the Matter

# Embryology has reached maturity

Philip Crowe argues that, in the wake of the Warnock committee's deliberations, the technology of infertility is now subject to adequate controls

Some eight years ago, three people met Sue Lawley in a television studio. One was a tiny baby, the 1,000th born by *in vitro* fertilisation; another was Dr Patrick Steptoe, and the third was Louise Brown, the first "test-tube baby", who celebrated her 18th birthday last week. She was then 10 years old.

Sue Lawley asked Louise if she knew what Steptoe had done for her, and she replied: "He made me." Then she giggled, realising that wasn't quite right. But her spontaneous answer lies on one side of a great gulf, and her reflective giggle on the other.

Does modern technology assist the natural processes of creation, or do we think that we can turn creation into a technological operation?

It is now commonplace in farming for breeders to choose eggs from the ideal cow, sperm from the best bull and then have embryos of the right sex implanted in their strongest cow. In human reproduction, the success rate is not high, but the same techniques are available. In another 20 years, who knows what technology will achieve?

Some 20 years ago, in the early days of the heart transplant programme, Bernard Levin waged a campaign against the tyranny of scientific progress. The prospect of having his failing parts replaced one by one did not appeal to him, and he rejected vigorously the idea that what ever could be done should be done.

Today, heart transplants are a matter of routine for which many people are deeply thankful. It is not possible, even if it were desirable, to call a halt to scientific research.

The crucial question, in a scientific sense, is not what we can do, but how we think about what we can do. Do we use technology to assist human reproduction, or do we allow human reproduction to be turned into a technological operation? In 1965, Thomas Merton, the celebrated American monk, wrote a book called *Conjectures of a Guilty Mind*.

He maintained that "the central problem of the modern world is the complex emancipation and autonomy of the technological mind, at a time when unlimited possibilities lie

open to it. Technology and science are now responsible to no power and submit to no control other than their own."

In 1978, when Louise Brown was born, Merton's comments were literally true. Her birth was a technological triumph, but the techniques which made it possible were not regulated in any way by law.

The Warnock Committee was not appointed until 1982, "to examine the social, ethical and legal implications of recent and potential developments in the field of human assisted reproduction."

The committee reported in 1984. There was then a long period of discussion, sometimes very heated. Dame Mary Warnock commented on the abuse to which members of the

human embryos up to 14 days, under certain stringent conditions.

The Human Fertilisation and Embryology Authority, set up under the Act, is responsible for licensing and regulating all centres in the UK which carry out fertility treatments involving the use of donor, storage of eggs, sperm and embryos, and research on human embryos.

Three years ago, there were proposals for a gender clinic in north London where, for £850, people would be able to choose the sex of their next child. The authority issued a consultation document on Sex Selection. It considered the "slippery slope" arguments, and the fears of people who worry about where it will all end.

"It is possible," says the document, "to draw a line permitting some activities and prohibiting others. Devising and enforcing rules to achieve this is a principal role of the HFEA."

After consultation, the authority issued a code of practice, allowing sex selection for medical but not for social reasons. It was under the supervision of the authority that some frozen embryos were destroyed this week.

The protocol of the HFEA requires that the embryos be treated with due respect. The embryos were unfrozen and rendered non-viable. A few, very few, were returned to the owners who wanted to hold some religious ceremony. The rest were incinerated as part of hospital waste. In the natural world, more than 40 per cent of human embryos are lost, flushed down the loo without the parents even being aware that they have conceived.

It could be argued that the authority treats embryos with more respect than nature.

It is the Human Fertilisation and Embryology Authority which, in the 1980s, provides a hopeful answer to the fears expressed by Thomas Merton in the 1960s. Scientists working in this field are no longer autocrats.

Science and technology are now subject to a power and a control other than their own. Society is not in the grip of a ferocious monster called scientific progress. We are in control. The HFEA, which we have set up, bears eloquent and reassuring witness to that fact.

It could be argued that the authority treats embryos with more respect than nature.

My own member of parliament said he found it the most difficult issue he had ever had to consider.

Dame Mary expressed considerable frustration at the length of time it took to give effect to her recommendations, but when the Act was eventually published, she changed her mind, recognising that the long debate had allowed a consensus to develop.

In 1990, the Human Fertilisation and Embryology Act was passed. It allows certain treatments for infertility which involve the use of donor, it also allowed experiments on

inquiry were subjected, both during their work and after the publication of the report.

The debate revealed on one side a heartless lack of compassion for the children who suffer from genetic disorders, and for their parents.

It also revealed, on the other side, a chilling lack of respect for the human embryo. In the course of the debate, members of parliament were subjected to all kinds of lobbying.

From the diverse demands and influences of the military and rural life, shooting has now become primarily a sport. Duff Hart-Davis, an experienced stalker, believes the attraction of shooting has something to do with the capability of the gun "to extend your own power". He said: "There is something about intercepting a fast-moving target that is very attractive."

Hart-Davis, a countryman to the core, is occasionally called upon by the police to kill deer that have strayed on to motorways. "Without easy access to a rifle it would be impossible for me to assist in such circumstances," he says.

He also recalled the time he was discussing his daughter's wedding with the rector at home. On seeing a fox in his garden, Hart-Davis ran for his shotgun, shot the fox, then resumed the conversation.

Continued from Page 1

the film industry can no longer disown responsibility for influencing aggressive behaviour in susceptible individuals. His views are supported by Michael Yardley, an experimental psychologist and writer about shooting who carried out a recent study of gun-related violence in popular entertainment on behalf of the Country-side Business Group.

The research looked at the number of firearms incidents in the 10 most popular recent video films in the UK during 1995. They averaged 13 killings by firearms per film.

The largest number - 50 - was recorded in *True Lies*, starring Arnold Schwarzenegger. The film included 1,020 images of guns.

"Until we count them like this we don't know the extent of these images. They are affecting us subliminally and it is constant. In *True Lies* there was a firearm image every 7.9

seconds," said Yardley.

Even the Oscar-winning *Forrest Gump* had 11 firearms killings. "When you take these films apart you begin to question your own motives for watching them and the motives of those who make them," said Yardley. Some actors, such as Dustin Hoffman and Sir Anthony Hopkins, are now beginning to rebel against on-screen violence.

Yardley speaks of the "tyranny of the majority" that can overwhelm minority views and pursuits in a democratic society. James Wright, Peter Rossi and Kathleen Daly, the authors of a comprehensive study of US gun culture, *Under the Gun*, published in 1983, alluded to the same threat.

They wrote: "American progressivism has always taken a strong and justifiable pride in its cultural pluralism, its belief that minority or 'deviant' cultures and values have intrinsic legitimacy and are therefore to be at least tolerated if not nourished, and certainly not suppressed."

"A critical issue in modern America is whether the doctrine of cultural pluralism should or should not be extended to cover the members of the gun subculture."

Their argument came down to whether gun use and ownership was so essentially a part of American life that it should be considered a legitimate form of self-expression.

Their study estimated that the US had about 120m guns in private hands. Some estimates put today's figure nearer 200m. They warned also that closure of the gun manufacturing industry could lead to a "firearms equivalent of Prohibition".

The study also exposed the myth that the US exercises little control over firearms, pointing out that there are 30,000 gun laws in effect across the country. "These laws have had little or no effect on violent crime is reasonably transparent," it said. That view is endorsed by Colin Greenwood, editor of *Guns Review* magazine and an independent fire-

arms consultant.

He estimates that for every gun in legal ownership in Britain there may be two illegally held. The acquisition of illegal firearms is not that difficult. "It is said that on the east coast of Scotland you can buy a Kalashnikov off the trolleys from eastern Europe for £200."

Criminal gun use has changed discernibly in recent years. While the sawn-off shotgun was once the criminal's weapon of choice, today it is more likely to be the machine pistol or handgun.

An international arms dealer told me that while a legally held handgun might cost about £500, a similar weapon could be bought on the black market in Bristol for nearer £50. It has been estimated that the number of guns held both legally and illegally in the UK is about 3m.

Although the nearest that most people will come to a gun is at the fairground, shooting is one of the biggest participation sports in the country. About 500,000 enthusiasts regu-

larly shoot at clay pigeons and £600m a year was spent on shooting in England and Wales in 1990. Greenwood estimates that the UK figure today would be close to £1bn.

Pistol shooting, the discipline most in the spotlight after Dunblane, is a sport

## There were 50 killings by firearms in True Lies, and 1,020 images of guns

worth £60m alone. Some 57,000 pistol shooters loose off 300m rounds a year in the UK. "Pistol shooting is bigger than basketball but because it is conducted out of the public gaze, the average person hardly knows it's happening," said Greenwood.

While the field sports arm of shooting had its antecedents in

rural living, the target competition side emanated from the military. The National Rifle Association, for example, arose from the desire for civilians to be militarily effective at the time of the Napoleonic invasion threat. The express purpose of the association, according to its *Royal Charter*, is the "Defence of the Realm".

Similarly, the National Small Bore Rifle Association started life as the Society of Working Men's Rifle Clubs, set up to improve the standard of shooting after British regulars were outgunned during the Boer War. The military establishment was alarmed at the discovery that the newly created urban working class, from which the armed forces drew much of their strength, could not shoot.

The principle of overall military readiness still governs defence policy in some countries: in Switzerland, for example, every Swiss male is expected to view himself as a front-line soldier between the ages of 18 and 32. All equip-

ment, including a fully automatic weapon with ammunition - even tanks - are kept at readiness within the community.

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صكرا من الامل



PERSPECTIVES

**W**hy would a company director, a Spanish student, a lady harpist, and a butcher nicknamed Sansage be chasing a wheelbarrow with a painted face and horns sticking out of the front around a dusty yard in the middle of Lisbon?

"Well," explains Sansage, who at 44 sometimes has trouble keeping up with the wheelbarrow, "if you live in a city and want to take up bullfighting as a hobby, what else can you do? It's not easy to find real live bulls in Lisbon."

The four are among the pupils of Lisbon's first school for bullfighters. Anyone can join - there are no age or gender bars. Any Thursday, Friday or Saturday afternoon, take a tram to Happiness Square in the upper city, look for the red door marked Festa Brava, opposite the police station, between the jazz club and the ladies of the night, ring the bell and then descend the staircase under the watchful eye of a giant bull's head.

On the last step, an old man with a squashed face and a laxy eye will probably ask if you have come for Italian lessons. Pass him and you are in a different world - one of worn red leather chairs, colourful posters of famous bullfighters, large silver trophies and bookcases full of moth-eaten breeders' guides.

Men with dark glasses and cowboy-booted legs so bowed as to shape the letter O, strut back and forth, black jackets slung across their shoulders in matador fashion. They rarely talk, preferring to shoulder, but occasionally they stop against the bar at the end of the room and reminisce about bullfights gone by, fuelled by quick shots of red wine and short puffs on a harsh smelling cigarette.

On Saturdays they gather in the blue and white tiled dining room with poets, singers and other bullfighting aficionados for a lunch that will go on past dusk.

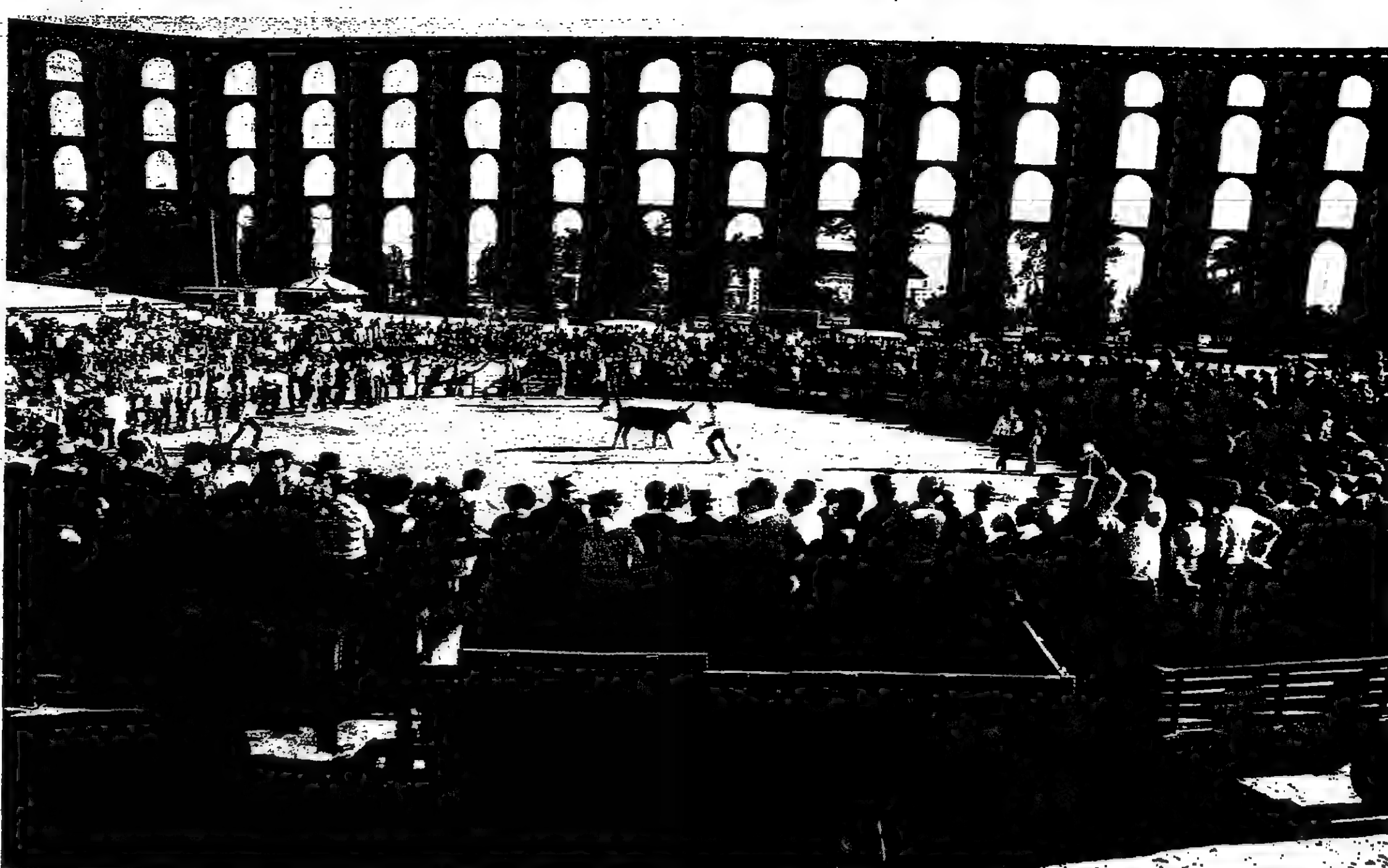
Outside in the yard, Master Fernando Segarra is giving his classes, dust flying as one man chases and taunts the wheelbarrow pushed by another. The 65-year-old former bullfighter started the school two years ago and now has 18 pupils from the age of six to 44, all male except for the harpist. He charges nothing and relies on donations from other retired bullfighters to buy equipment.

"I love bullfighting but I was lucky because my father and uncle were both bullfighters so I learnt to read and write. I really feel for kids in cities who don't have that opportunity," he explains.

Talking to Segarra, it becomes clear that he is on something of a crusade. He snorts at the idea that bullfighting is a particularly dangerous sport to teach young or even old people - he says he was never deterred by the six fractures he sustained in the ring and the 40 times he was gored.

Segarra points out that unlike football, Portugal's favourite sport, bullfighting has not been blessed by hegemony or use of drugs. He insists that bullfighting is an art and can be enjoyed as a hobby.

"The main thing people learn



To the Portuguese bullfighting is artifice and noble - the domination of the Matador's intelligence over the animal's brute strength

Photograph: Magnum

# In the bullring - with a wheelbarrow

Christina Lamb says that Lisbon's bullfighting students take their art seriously, despite the plastic horns and less than deadly rapiers

here is discipline. Bullfighting is the domination of intelligence over brute strength," he insists. "Look," he says, calling up some of his pupils to demonstrate. A Brazilian soap opera is blaring from the next-door house and a prostitute peers out of a cracked window, giggling. She watches as a law student bends down clutching a pair of plastic horns over his head, narrows his eyes, and runs at a 10-year-old boy. In another corner, an older man is trying to poke sticks into a wheelbarrow. It is hard not to laugh. They do look very silly.

But then Andre walks on. Shoulders thrown back, hair slicked down, sideburns like Indian war paint on his cheeks. He struts arrogantly, teasing and confusing the wheelbarrow pusher as he tosses his heavy red cape this way and that, then spears the harrow with a disdainful gesture. His red and white striped T-shirt and torn jeans seem transformed into a glittering gold sequined costume.



In the ring and treading the tightrope between life and death

Segarra looks on proudly. Eighteen-year-old Andre is one of four boys at the school who think they can make it as professionals. "It would make me feel wonderful to create a world-class bullfighter here in this yard."

Later Andre admits that his mother is unhappy about the idea. "She wants me to stay

here and go to university. If I become a bullfighter she thinks I'll go to Spain and only come back in a coffin."

Spain is mecca for bullfighting hopefuls. Although Portugal has a thriving bullfighting scene, it is the only bullfighting country in the world where bulls are not killed. Bullfighters are on horseback rather



Fighting in the streets - for real this time

than foot, and a fight is more a show of horsemanship. Segarra is one of those campaigning to change this. He grumbles: "What bullfighting is about is a delicate balance between life and death. The Portuguese way is artistic and noble but not the real thing."

In fact bullfighting is experiencing a surge of popularity in

Spain, particularly among the young and among women.

Jesulin de Ubrique, a young matador who holds a yearly Ladies Only fight, is a more popular pin-up than any pop star or movie idol and Cristina Sanchez recently became the country's first fully-fledged woman bullfighter.

Most of the pupils at Festa

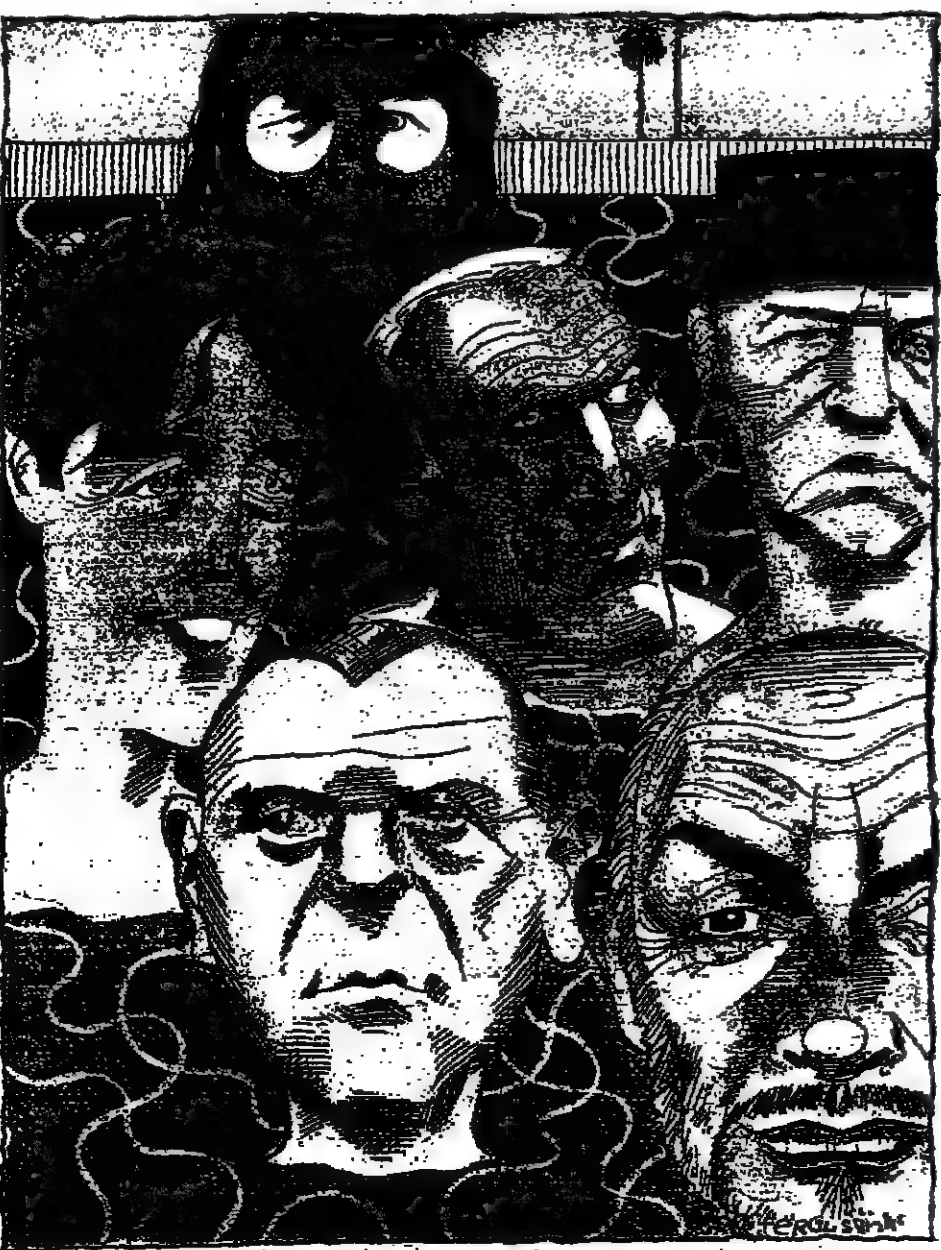
Brava will only ever go to Spain as spectators. Paulo Moraes, a 27-year-old construction company director, admits he is unlikely to make it as a professional, despite spending 10 hours or more a week at the school for the past two years. He claims that his unusual hobby has had a huge impact on his life. "Here you learn to dominate your fears which is very useful in the rest of your life. Most of us have had the chance now to enter a ring with a live bull. The bull is a thousand times stronger than you but he's stupid, so to exert that advantage you must avoid panicking and stay calm and dignified to fool him. There are many situations in everyday life dealing with people to which this can also apply."

Moraes steps into the ring to demonstrate some basic movements. His slim graceful build makes it look like a ballet between him and the bull as he jerks the pink and yellow cape around the wheelbarrow in elliptical patterns. Returning to his seat he smiles shyly

and admits: "Everyone who comes here, whatever they say, in their heart of hearts, we all want to be bullfighters."

But are not most of them too old to start learning? Segarra thinks not. "Bullfighters can continue to an old age: it's the bulls that can only last three or four years. Younger men may have better physiques but older men have better mental capacity. It's like a hunter killing a lion - not with force but intelligence and patience. I gave up bullfighting at 61 not because of my age but because of this." He pats his huge belly.

Just as I am about to leave, I notice Andre is back in the ring with Frederico, a plumpish student who is by far the best at imitating the bull. Swagging around the yard, Andre makes passes and thrusts with his rapier, his eyes fixed on the fearsome bull. For one second the sounds of the city fade away and I can feel the electric tension of the tightrope between life and death. Not quite *Death in the Afternoon*. But almost.



Letter from Los Angeles

## Almost starstruck in Hollywood

Christopher Parkes tries to explain the urge to get within hailing distance of LA's finest

**I** am trapped in a low-slung poolside lounge, drinking guava-flavoured water, when the dreaded question drifts across the patio table.

"Has anyone ever said 'Sean Connery' to you before?" I reach for my glass to take a prevaricatory sip but mistakingly grasp one containing an anti-mosquito candle. I blink in the fizzle of raised eyebrows.

A remark or a question including a star name attached is a sure signal we are going to talk about famous people we have met, almost met, acted with, represented, directed or otherwise abused.

Since I suffer from a chronic form of star-blindness, and can barely distinguish Gene Hackman from Arthur Scargill, I am out of the personality debating loop. The closest I have come is drinking Newcastle Brown Ale with Eric Burdon in 1969.

I try a slice of British irony. "I'd always been led to believe Paul Newman was nearer the mark."

"Oh. Yeah," comes the counter, and I begin to feel my first blunder is being here at all. As usual, there is the heaven-sent someone else at hand - in this case a hairy independent film producer - all too willing to roll his credits. He is in action movies doing stuff with a hunk called Dolph Lundgren, or someone else whose name I forget.

He picks up the conversation left trailing at my end of the table, and tells us Sean Connery has become the highest paid supporting actor on record. He collected a \$15m pay-off for playing second fiddle to Al Pacino in *Heat*, setting of the early summer hit, *The Heat*.

I join in when, out of consideration for my Englishness, the company cracks a few hoary jokes about Hugh Grant's escapades with a lady of the night last year, before I make my excuses and leave.

Truth to tell, like many other people in Los Angeles, I almost brush shoulders with the show business types on a daily basis. Only this week, cruising Sunset - as we like to call the early morning charge to school - I spotted a low-loader stacked with six Porta-Potties close to the location for a film called *Love*.

This was none of your usual Sunset Boulevard road-worker street furniture, shot to hell and splattered with "OJ Guilty" graffiti. These were classy commodores in cream enamel and chrome. Still, since there were no silver stars stuck to the doors, we stashed the autograph books and cruised on.

Last September as we pulled up at the lights in Pacific Palisades, Anthony Hopkins, carrying a tatty shopping bag, crossed the road only feet from

the front bumper of our car. Honestly. Shortly after that shaker, the family found itself invited to a five-year-old's birthday extravaganza, where the surprise guest, a five-year-old African elephant, was said only days before to have given rides to Steven Spielberg's children.

There is more. We occasionally "shop with the stars", as the neighbours tend to say, at a Brentwood

supermarket where Bundy Drive crosses San Vicente Boulevard. But even there our paths never seem to coincide to the point of contact. There may be better places to observe the stars when and where they glitter best. Even so, do not people who shine for a living still twinkle when they go shopping? Up to a point but there are no simple clues to guide the star-spotters to their goal. Gucci pants and gold chemo-book holders are commonplace and no giveaway in this town.

Faces are probably the best

guide - not the features but the pallor. Film actresses - those working, at least - tend to sport complexions of a leaden tone. I'm told this *See-Dee-Dee* effect is a result of the clocking qualities of "slap" as pancake makeup is sometimes known.

But even the pale and uninteresting look provides nothing more than a start-up clue for the serious spotter. Grey skin is a common Californian by-product of the application of 30-factor sun screen applied religiously to ward off epidermal cancers. It also serves as a popular differentiator in LA's multi-ethnic muddle.

As for the features, only the most devoted fans would find it possible to distinguish stars from everyday earthlings, since young people especially all seem to have their features uniformly tweaked heavenwards by the hyperactive Beverly Hills cosmetic surgery industry.

Clones rule here in Silicon Valley. Persistent watchers of TV mini-series and low-budget made-for-TV films should be able to confirm the presence in filmland of dozens of look-alikes. Early model Robert Redford and Jeff Bridgeses abound, and there are more Winona Ryders than you can shake a stick at.

Which raises the prospect that there may be more than an element of truth in local reports that the real big-name

stars, uncomfortable in the ostentatious, muck-raking, bitchy environment of their traditional home, are moving wholesale to Florida.

Wherever they are they seem to circulate in separate orbits and in reserved time zones. They have little in common, apart from financial interdependence, even with the hordes of agents and lawyers who service their egos and whom they love to abuse.

Yet their power over star-tracking tourists and locals alike remains undiminished. They are sought out, gawked at, stalked, and endlessly discussed in intimate terms by people who have never knowingly met even a film extra.

On reflection, the stars are as distant from and inaccessible to "their public" whether the audience is in actor-infested hang-outs such as Wolfgang Puck's Spago restaurant in Beverly Hills or a bar in Bratislava. But the urge to get within hailing distance or closer remains constant because there is more than a fragment of truth in the superstition that basking in the aura is directly beneficial.

Star quality is a mightily contagious condition in even the briefest encounters. Following Divine Brown's back seat experience with Hugh Grant, Divine went on to become a TV and radio personality, a "writer" even.



## HOW TO SPEND IT



# Capital of the casual and the quirky

Kate van der Heyden finds everything from inexpensive hip basics to cowboy clobber amid Amsterdam's chic bars, cafés and beautiful museums

One of Europe's most visually beautiful cities, Amsterdam, the capital of casual clothes, is the perfect destination if you want to escape from fashion. The girls look trendy in their skinny pants and high-heeled boots, but it is generally necessity, not style, which dictates the look - it rains a lot and they cycle a lot.

Supermodel good looks are commonplace here - Amsterdam girls are characteristically long-legged and curvy, with big feet. So if you are searching for that size 41 shoe and need something stylish this is the place.

Amsterdam is also a wonderful place to explore for quirky individual designs, antique clothes and artefacts. The Dutch may not be particularly fashion conscious, but they have great taste.

Whether you arrive in Amsterdam by train or aeroplane, take a taxi directly to Café Luxembourg, Spui 22-24, a traditional Amsterdam meeting place, order a *koffie verkeerd* (traditional milky coffee), a slice of apple pie and immerse yourself in Dutch culture. It is possible to hire a bike for the duration of your stay, but cycling can be scary for the uninitiated.

Buy a map (essential) at the Athenaeum Boekhandel bookstore across the street and plan your day as the rest of the world cycles by. The most interesting areas to see are the little streets that run between the canals.

Van Ravenstein, Runstraat 18-22, one of Amsterdam's most stylish stores, sells the widest selection of Dries Van Noten for men and women outside Belgium, along with key accessories from Britons John Smedley and Margaret Howell; sexy underwear from Americans Juan and Carlos; simple structured pieces from Dutch designers Orson and Bodil; and unpretentious knitwear

from Isabella Baines.

In this winter's collection from Dries van Noten are maxi-length coats, sumptuous slim kaftans and his signature long, rose, print dresses, worn with pants. Prices from £1,500 (£1,930).

Laundry Industry, Rokin 1, Spui 1, is the place to go for inexpensive hip basics such as low-rise chinos, lycra T-shirts, A-line skirts, and boxy leather jackets. Designer Ellen Steenbeck has a distinct and successful philosophy - she only produces clothes in black, white and beige. Steenbeck has 17 stores worldwide to prove her formula.

The store's interior is a witty spin on the laundrette theme, with pairs of goldfish swimming in wall-mounted washers. Next season sees the launch of Laundry's accessory line and a store in Miami. Prices range from £1.69 for T-shirts to £1,300 for camel suede jackets.

Lady Day, Haartestraat 9, is the definitive antique clothing store. It has been selling unused old clothes for 20 years. Check out this season's Prada wear - white polyester hipster pants, skinny ribbed Missoni sweaters and slim suede jackets with wide lapels. Or for men, khaki fatigue pants, naval pea coats, ribbed turtlenecks. Prices are from £10-150. This is a favourite hunting ground for international stylists and designers.

Zipper, Huidenstraat 7, has funky 1960s to 1970s-style cowboy clothes. Great "aged" Levi's and Lee jeans, and floral or checked, western shirts for men, women and children. Jeans start at £150 but collectors' items pieces, such as 1960s children's Levi jackets, can be expensive.

Binnenhuis, Huidenstraat 3, sells great household items, furniture and gift ideas, including bath products from French perfumers Cote Bastide and nylon luggage from Makio Hasulke.

Pompadour (opposite Binnenhuis) has delicious chocolate truffles and

cakes, all hand-made on the premises.

Donald Jongejans, Norderkerkstraat 18, has an amazing selection of antique eye-glasses (more than 12,000 pairs) including original children's Raybans. Lots of "Jackie and Axl" originals, there are many pairs for less than £10. If you need something really specific (1920s wire rims?) you can be sure to find it here.

Magna Plaza, Nieuwestijds Voorburgwal 122, is Amsterdam's only shopping mall. It is housed in the old Central Post Office, and is a haven in bad weather. There is wonderful make-up from the Ummu, on the ground floor, in ravishing pastel and glitter shades. There is also a complete range of professional equipment for make-up artists.

New additions include nail polish in baby shades of blue and pink from Hard Candy, as well as a full range of herbal beauty lotions and scents from She Ummu. Across the hall at Jet Set, is equally groovy ski/surf/club wear from The Wave and E-Play, plus Oakley wrap-around sunglasses, and jeans from Blue System (€150).

Downstairs in the mall is basic American workwear from America Today. It has all those essential items you forgot to pick up in New York - Timberland boots and deck shoes, Levis, Schott leathers, Champion sweatshirts and T-shirts...

Need a baby gift? Try Bam Bam on the second floor, and fill a suitcase with wonderful rattles, teddies, pyjamas, even little Dr Marten's. This store is heaven for expectant parents who want something exotic for their offspring - a fairy bed for the little princess or a castle-shaped changing table for a prince. There are lovely flannel pyjamas for around £150 and chic terry cloth rompers, from French company Honore (€190), in chic navy, black, white and ecru.

For bigger children, Storm sells wannabe sportswear from Diesel, No No (trousers and jeans from £150) and Paul Smith, as well as hero outfits and tutus for discerning mini shoppers.

For teenagers there is the Replay Country Store, for groovy jeans and T-shirts, and a Virgin Megastore in the basement.

Time for a coffee and a sandwich at Dimitri, Prinsengracht 6. This is a tiny café but has the best sandwiches in town. The Dutch don't eat lunch as a rule, but their midday stop for a cheese *boterham* (sandwich) means there is a proliferation

of great cafés around the city.

The Prinsengracht is typical of the streets that interconnect the canals, with a myriad of fascinating little stores including Magret Nannings for 'G' for Gigi, Paul Smith Women and Girbaud; Anne Marie van Zee, a beauty salon which sells a wide range of Aveda beauty products; Brocante (found over the bridge on the Herengracht) for antique French linens and glass and Riviera Bloemisten, a stunning florist.

If you feel hungry and are at the other end of town, visit Café de Jaren, Nieuwe Doelenstraat 20-22. This is quite possibly the biggest

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Order a coffee and a broodje *kaas-é-lomote*, a sort of warm egg and cheese sandwich in a dish.

There are two great shoe shops in Amsterdam, Shoebaloo, Koningensplein 7-9, on the corner of the famous flower market for Prada, Karl Lagerfeld, Sonia Rykiel and Philippe Model (prices between £1300 and £1400); and Dr Adams, Leidsestraat 26, which has its own label, plus imports from Dries Van Noten, Patrick Cox and Palladium.

Hema - the Dutch version of Woolworth - has branches throughout the city. Hema is a national obsession. It is great for basics - underwear, toiletries, linens. Beautiful white cotton towels start at £10. Credit cards are not accepted, so be warned as the inclination is to buy in bulk.

Agnes B, Rokin 126, is worth visiting even if you are familiar with the London or Paris stores, as it frequently has styles in larger, longer sizes. A pair of rayon hipster pants will cost £1800, while a dark brown suede trouser suit will cost you £1800.

Freelance, Rokin 8, is the place for Chelsea boots, riding boots, loafers, great sandals and delicate evening shoes with "Queenie" heels. Prices from £140.

If you plan to combine a little culture with your shopping, the trio of Rijksmuseum (Rembrandt, Vermeer), Van Gogh and Stedelijk Museum (contemporary art), are close to Amsterdam's most elegant shopping street, the P.C. Hooftstraat. Designers include Versace, Scafe of Scotland for classic women's and menswear, and Stéphane Kelian shoes.

Donaldson has Disney-inspired adult and children's wear that is surprisingly chic. The girls' dresses are particularly lovely, priced from £120.

DKNY has the latest in American sportswear; and Lesser for Prada has military style suits (in Periwinkle

and chocolate brown). Gucci and Calvin Klein have beautiful, long, narrow camel coats). Armani Neve (slim quilted ski jackets in shiny nylon) as well as a wide range of Italian cashmere sweaters and low-rise jersey pants, and J.P. Todds has new suede boots and other winter basics.

For something truly special head for the Nieuwe Spiegelstraat in the renowned antiques quarter. Marij de Kaak, Nieuwe Spiegelstraat 47, has exquisite 20th century jewellery, including 1940s diamond rings (from around £12,500), heavy gold chain bracelets and wonderful one-off pieces. A gold butterfly pendant with an enormous aquamarine sells for £14,500.

Ingeborg van Ravenstein, at Nieuwe Spiegelstraat 57, is a treasure trove of exquisite silver tableware and now has a collection of reproduction 12th-17th century Dutch glass (from £140 to £1450 for a replica medieval glass wine cooler).

Ben Buleveld, Nieuwe Spiegelstraat 45a, is a toy shop for men - antique model trains and ships, telescopes and timepieces (from £1500 for a 19th century ivory corkscrew) to thousands for a train.

If you are staying the night there are many good small hotels in Amsterdam and two world-class ones. The Amstel Intercontinental (Tel (31) 20 622 6080) is a Belle Epoque edifice 10 minutes from the city centre, overlooking the river Amstel. Favoured by royalty and rock stars, with magnificent rooms, prices range from £1615 for a double, to £14,250 for the Royal Suite. With its celebrated restaurant, sumptuous lounge and swimming pool, the hotel is perfect for a romantic luxury weekend. Guests are ferried into town on board the hotel's water taxi.

The stately Grand Hotel, Oudezijdsvoorburgwal 197 (Tel (31) 20 555 3111) is perhaps low key in compar-

son but its location more than compensates. It is in the heart of the old city, next to the notorious (but fascinating) red light district. The building was once the old City Hall and is classic turn-of-the-century Amsterdam architecture. Double rooms start at £1645, suites from £1795. Café Roux, managed by Albert Roux, is also recommended.

For a taste of Holland, head back to the Spuistraat where there are a variety of restaurants. Try Kantil en de Tyger at Spuistraat 261-263 (Tel 620 0864) for authentic Indonesian cuisine in a bistro atmosphere. If you are hungry order the *risotto* or rice dinner (an Indo-Dutch invention).

Lucius at Spuistraat 247 (Tel 624 1831) is a traditional Dutch fish restaurant - tiny Dutch shrimps or *garnalen* are a speciality. Bordewijk on the Noordermarkt (Tel 624 3889) is more elegant, specialising in modern French cuisine. Zuido Zeeeland at Herengracht 413 (Tel 624 3154) also has a French influence in an intimate, charming room, perfect for a romantic evening. For good bistro food in a smart garden setting try Brasserie van Baerle at Van Baerle Straat 188 (Tel 678 1832) - the service is great. Amsterdam's nightlife centres around the bars and clubs that make this city one of the most popular rock and roll locations in the world. Try Paradiso for new bands or, if you are lucky, intimate shows from superstars - the Rolling Stones recorded *Stripped* there last year.

If the intrepid circus, Cirque du Soleil, is in town see it in its magnificent new-age tent on the Museumplein, or alternatively, do the casual thing - pack a picnic (there are small dairies on most streets that sell sandwiches, wine, beer and other essentials), order a private water taxi (let your hotel book one in advance), and cruise the canals by starlight - this is Amsterdam beyond compare.

## A cane provides the finishing touch

Damian Foxe highlights the magical effect that wearing a cane can bring - at prices from £11.75 to £2,000

Benjamin Disraeli was a fan of the walking stick. "It is wonderful the effect those magical wands produce. I owe to them even more attention than to being the supposed author of - what is it? I forget," he wrote.

Today these splendid accessories owe their primary association to the National Health Service and the abundance of

skiing accidents which occur each year. Yet who can question the elegance which is bestowed on occasions such as Royal Ascot, the Henley Regatta and the occasional

society wedding when a dashing gentleman, possessed of a certain sartorial flamboyance, chooses to use a cane?

The history of walking sticks dates back to early Egyptian times. The Pharaoh Tutankhamun's ante and burial chambers were disinterred to reveal a large collection of walking sticks and staves. However, it was following the industrial revolution of the 1830s and the ensuing affluence of the Victorian era, that the cane came to prominence and widespread use.

Gentlemen did not carry sticks, they wore them. An integral part of male attire, their psychological support was far greater than their physical contribution. They lent a sense of power and control. They added swing to your step and imparted elegance and social status to your appearance.

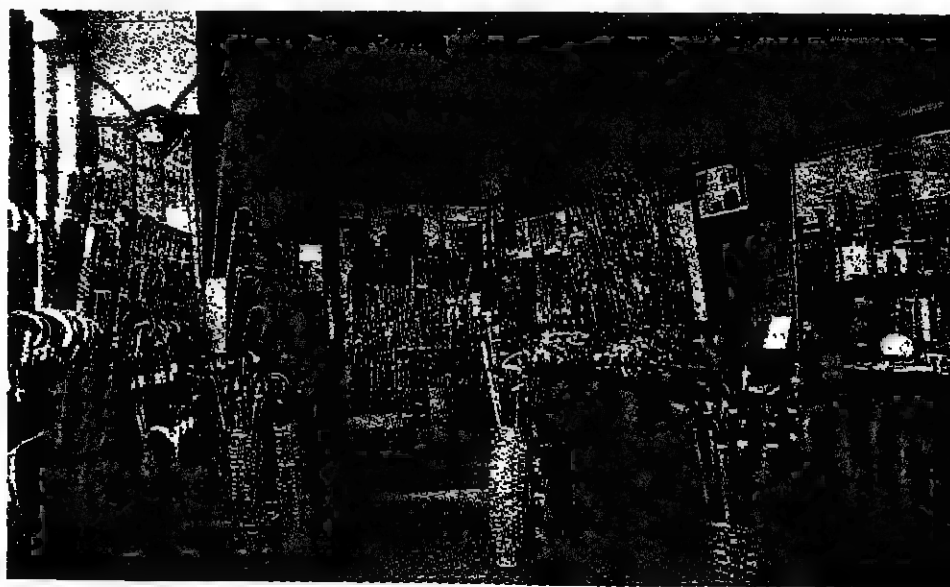
To wear a stick properly required the possession of three: the paler Malacca cane for day, strong and light; a black ebony, ebonyised or rosewood version for elegant evening apparel; and a country stick in beech or elm, for hardy rustic pursuits. The first world war brought about their early

demise. Life became simpler, men's dress became less decorative and walking sticks were employed, almost uniquely, by those who were bequeathed the unwanted legacy of war-wounds. In 1900, there were 60 cane shops in London. Today there are three, only two in British ownership.

Saved from near extinction by determined gentlemen who refused to succumb to slovenly dress, canes have also been favoured by many of Hollywood's leading men. Fred Astaire could never have tilted his *Top Hat* in 1935 without the aid of his ebony, silver-handled stick, while John Wayne's *Quiet Man* of 1952 would have collapsed in a whimper but for the blackthorn which he wielded with such passion.

Most recently, Emma Thompson's adaptation of Jane Austen's *Sense and Sensibility* raised the international profile of period drama and dress, elevating the cane, once again, to a position of vestimental indispensability.

Established in 1830, James Smith & Sons moved to its current premises in 1857. Lines of newly carved walking sticks crowd the interior, their handles bowed in reverence to an



Sticks galore at James Smith & Sons, 53 New Oxford Street, London WC1 (0171-638 4731)

illustrious past. The names of William Gladstone, Bonar Law and Lord Curzon grace the antiquated order books of James Smith & Sons' heyday.

"The choice is immense," explains Jonathan Wardle, buyer at James Smith, "but the range of prices is dictated by the style of the handle."

Every conceivable medium, from hand-blown glass to ox-horn, is employed to create unique and beautiful pieces. "Our basic chestnut stick, a slightly nicer version of what you receive at the hospital, will set you back £11.75," while the "snake-wood" cane with walrus tusk handle, which is cre-

ated to commission, will cost £2,000. For the stick novice, an elegant and gentlemanly ebony cane with a silver band handle at £225 is a good starting point. Sticks are cut to size, using a telescopic measuring cane. "Your arm must be slightly curved when holding your stick, but allow sufficient room

to swing it properly," explains Wardle. He adds: "Although stick etiquette was strict in the 18th century, rules have relaxed. Once the length is correct, people will generally find their own way of walking with the stick."

For discerning collectors, Michael German's antiques emporium at 38b Kensington Church Street, London W8 (0171-937 2771) specialises in antique walking sticks. Stock dates primarily from 1840 to the first world war, although there are occasional rarer canes from other periods.

"Most of our customers come from the continent, the US, south east Asia and Japan," explains German. "Victorian sticks range from £60 to in excess of £800 for something very special, although earlier this year, Sothebys in New York registered the sale of two rare Fabergé sticks, sold on behalf of Frank Sinatra, fetching between £8,000 and £10,000 each."

German stocks many fine pieces. One exquisite example with a piqué handle was created between 1690 and 1720, its handle decorated with small dots of silver pushed one by one into an ivory base, forming a tulip pattern.

Wearing a cane requires elegance, style and a little flamboyance. And in the manner of Disraeli, a quick wave of your magical cane and you will be more than able.

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صكنا من الامم



FASHION



Pictures from left to right:  
■ Plum-coloured, embroidered skirt, £210 and sleeveless stretch viscose top, £125 by Ghost, from Liberty, Regent Street, London W1 (stockist inquiries: 0171-980 2121). Ghost's long, lightweight viscose skirts are flattering, versatile, travel well and are perfect for hot weather. In this fashionable plum colour the skirt can be worn through autumn and beyond with a long cardigan or sweater on top.

■ Long rose print silk chiffon skirt,

£230 and tunic dress, £490, by Norma Kamali from Browns, 23-27 South Molton Street, London W1 (tel: 0171-481 7833). This beautiful print skirt that is effortlessly chic is perfect for smart, hot-weather functions but would also look elegant with a long silk knit sweater or tunic top for spring. This is the sort of classic, floaty skirt that you could wear several seasons down the line.

■ Turquoise and chocolate, silk chiffon sarong with gold embroidery,

£610; blue and gold knit top, £200; and chocolate wool gabardine jacket, £480, all by Dries Van Noten from Browns. The skirt is part of a range of silk chiffon sarongs by the Belgian designer and can be worn with a sleeveless summery top or smartened up with a tailored jacket for autumn.

■ Sage green silk stretch skirt £400, and camisole top, £260, all by Donna Karan from Browns. The skirt and camisole would be perfect for glamorous summer evenings spent

linguishing on a terrace. The addition of Spandex means that it will keep its shape and hang beautifully.

■ Navy crepe satin blue-out skirt, £120 by Jackson, from the Cross, 141 Portland Road, London W11. (Stockist inquiries: 0171-792 8335). The plain, navy skirt goes well with this black sleeveless top, £49.95 by Jigsaw, 126-127 New Bond Street London W1 (tel: 0171-481 4481).

Drawings by David Downton

## Long, lean and luxurious by night or by day

Alluring ankle-grazing skirts are back in vogue, says Karen Wheeler

Imagine for a moment a typical summer scenario. You are sipping a Martini on a friend's terrace at sunset. But instead of the ubiquitous, short summer shift dress and high heels you are wearing a long flute of ankle-grazing chiffon topped by a lean, sinuous knitted silk cardigan and a pair of flat, strappy shoes.

You look cool, comfortable and elegant - and better still you do not have to worry about baring those legs that look too pale, plump or mosquito-bitten.

Thanks to trend-setting designers such as Calvin Klein, the long skirt is set to be fashionable again for autumn. But many of us will be only too happy to adopt the look before then, since long skirts are the most flattering warm-weather option.

One only has to think of Jemima Khan - who never looks anything but calm and unruffled in the long, floaty layers of her Stalwart Kamees - to realise that, however high

the mercury is climbing, less is not necessarily more.

According to Tanya Sarne of Ghost, whose best-seller every summer is a long, fluted viscose skirt with an elasticated waist, the long skirt has never really gone away. It is elegant, cool and comfortable.

Significantly, Ghost's long, languid clothing is a particular hit with fashion editors, many of whom cheerfully prescribe short, hipster skirts for their readers but prefer a more practical long skirt for themselves. The long skirt is unrestrictive and does not require impractical high heels to look good.

Moreover, ankle-length skirts can be very alluring since, in lightweight and semi-transparent fabrics (if you dare), they lightly veil the body and give a tantalising outline of leg underneath.

Historically, whenever designers have tried to resurrect the long, tailored skirt they have failed miserably, since such styles - together with dirndl, pleated and pencil skirts - are ageing, schoolmist-

ressy and notoriously difficult to wear.

The best designs for this summer are gently flared or cut on the bias and come in floaty, ethereal fabrics such as silk chiffon, floral georgette or practical, scrunchy viscose crepe.

The sarong skirt is an excellent option and is on the brink of a big revival. Nicole Farhi did a version in copper coloured Madras checks for summer while Maria Grachvogel's gold printed sarong was a hit in Liberty. If you hurry, there might be a few left in the sales.

Alternatively, you could follow the lead of fashionable young women who have simply been knotting a piece of patterned fabric about their hips for an effortlessly chic look.

Better still you could invest in one of Belgian designer Dries Van Noten's luxurious sarongs. This version takes a humble, functional garment on to an altogether different plane. They are especially tempting in chocolate or cream silk chiffon with opulent swirls of gold or silver embroidery and have proved a huge hit with customers.

They look wonderful with a plain top for evening but can also be worn with Van Noten's neat, tailored jackets as an interesting substitute for the two-piece skirt suit.

So what should you wear on top to ensure that a long skirt looks fashionable rather than frumpy? Summery sleeveless vest and halter neck tops are one option but are by no

means mandatory since long skirts look wonderfully elegant with long, lean knit cardigans for a silhouette inspired by the Great Gatsby era. Choose yarns with a sheen to them - in either knitted silk, such as Donna Karan's highly covetable cardigan, or a shiny synthetic.

If you have long hair it is a good idea to pin it up as this elongates the silhouette and looks more elegant with long layers of clothing. As for shoes, Tanya Sarne always carries two pairs: flat sandals or trainers which she wears with a plain T-shirt for day; and high strappy heels which are teamed with the same skirt and a glamorous, stretchy Ghost top for evening.

The question of how to wear it and what style of skirt to buy, however, is secondary to where to go to buy it? August is always a difficult month in which to shop for something special since most stores either offer an insipid selection of left-over sale items, unlikely to inspire anybody or are already stocking sombre autumn collections.

Some shops do seem to be offering trans-seasonal or "bridge" collections - so-called because they bridge the void between one season and another. The best of these come from American designers such as Donna Karan and Norma Kamali who realised long ago the importance of selling clothing appropriate to the climate. They offer a total look - the cardigan that goes with the skirt, for example - but the

components will also work well separately.

A few more enlightened high street chains such as French Connection and Oasis have also started producing trans-seasonal ranges. Good buys include French Connection's panelled viscose crepe skirt in cornflower blue, white or ink (£40) or cyprus rose skirt in a navy and white floral print.

Nicole Farhi did a very pretty, long, slightly A-line skirt with Chinese embroidery for summer and has a few styles remaining, though these are strictly for the slim and flat of stomach. At Laura Ashley a black/lilac floral print viscose skirt (£49.95) is a good buy while Paddy Campbell has fluted skirts in raspberry or taupe, washed-silk effect fabric (£59 in the sale).

Another option is to choose cleverly from the new autumn collections. Dries Van Noten's sarongs are lightweight enough for summer but with warmer layers on top could easily be worn all year round.

The same is true of Ghost's practical viscose crepe skirts. Choose one in chocolate or plum: brown looks great with a tan now and is also set to become the new black this autumn. As a general rule a light, long skirt will focus attention on the lower half of the body; dark tones detract.

All of the styles shown above can be worn for day or evening and have longevity: they are perfect for hot weather but with an elegant cardigan or belted sweater, will work well in autumn and early spring.

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## PROPERTY



A FF100,000 cottage near Domfront from La Résidence

# France still offers value

Gerald Cadogan goes house hunting north of the Loire

Rural France is remarkable value. In the north-east the buyers come predominantly from Paris and Lille and there are many Dutch and Belgians, says Isabelle Honoré of agents L'Abri-tannique. Why?

In spite of the pound's decline since September 1992, from a value of FF110 to FF77.78, hitting UK buyers and holidaymakers, cheapness remains a reason for choosing France as a second home destination.

Similar properties do not exist in England or the Netherlands at French prices. For UK owners who need to sell, the pound's devaluation means they can afford to push through a sale by dropping the price in France, even if they bought in the boom of the 1980s. At the end of the deal they will receive much the same amount in pounds as they invested.

The French are keen on buy-

ing former British properties, as Maggie Kelly, a partner in L'Abri-tannique notes. She says: "The French find the homes sympathetically restored and decorated."

Frank Rutherford, of London-based agents Rutherford, finds that many Dutch and Germans like doing business with a British agent for French property.

Popular properties which Rutherford sells abroad, include holiday cottages, costing perhaps £25,000 (FF195,000). "Normandy, Brittany and the Loire have plenty of them, and they are far cheaper than in the UK," says the company. Also popular with those seeking retirement homes are farmhouses and *petit manoirs* needing only minor repairs and costing at least £50,000 (FF395,000). For modern apartments or villas it is best to take the long drive south.

The château market is "erratic", says Patricia Hawkes



The Bagatelle near Abberville. FF6.5m from agent Philip Hawkes



Château de la Paluette (FF9m) near St Malo



A Colombarie house near Livarot for FF1.6m

of Paris agent Philip Hawkes, which established a leading position in grand country houses.

"Every deal that comes off is a miracle," she says. This is not for a lack of rich buyers, but because "it is hard to find them their perfect property". They complain about the state of repair, the lack of land or the environment.

Château prices are very much priced on an individual basis, she says. In the UK the comparable country house market is more fluid and it is easy to establish the going rate for such a property.

The French like their main residence to be in a large city and all they require in the country is a *pièce de terre* - even if it is as big as a château - which they can shut up when they do not want to use it.

Hawkes has a gem in the Ile de France with more than 300 hectares for FF35m, but cannot mention the name.

For FF6.5m, the firm's jewel

on the public market is an 18th century rococo confection called Bagatelle at Abberville, which has been in the same family since 1810. About an hour from Calais, it is a delight of ornate painted panelling and plasterwork.

Its 10.5ha (one ha equals 2.5 acres) include a landscaped garden - a rarity in France. Bagatelle appears in many books on French architecture and has won prizes for its restoration after bomb damage in 1944.

A smart alternative close to Amiens is the château at Fresnoy-au-Val, built in 1860 in an 18th century style, and now improved by an indoor swimming pool. With less ground than Bagatelle, it costs FF3m through Irène Mühlhoff or Christoph Roth.

Other handsome châteaux from Hawkes include Fontaine-Notre-Dame, 45km north-east of Paris, which accounts for its firm Price Waterhouse bought seven years ago as a training

centre and is now offering for FF12.5m (less than its original price) and Roumare 12km west of Rouen - the price of which has dropped from FF12m to a "negotiable" FF8.5m. Hawkes also offers the 18th/17th century Château de la Paluette built in local granite at St James on the Brittany-Normandy border near St Malo for FF9m, and Barbery a Louis XIII château 30km from Honfleur with 35ha for FF7.5m.

Still in Normandy, a rebuilt farmhouse near Sourdeval, two hours from Cherbourg, costs FF925,000 (Williamson), and half a château needing work in the Cotentin peninsula FF660,000 (Barbery). But my favourite is a half-timbered - the local *colombarie* style - manoir house near Livarot (Barbery, FF1.6m, reduced from FF2.15m).

Rutherford lists a stone-built manoir in the area of Falaise for FF650,000 (needing work), and for FF2.35m a

restored manoir near Pontivy in Morbihan (Brittany) with three holiday-let *gîtes*.

Rutherford also has cottages in various states of repair at typical prices of FF173,000 or FF200,000, but it is hard to beat the value of a cottage near Domfront in lower Normandy which La Résidence lists for FF100,000.

At Fontaine-le-Dun near Dieppe a half-timbered house with three bedrooms costs FF630,000 (La Résidence), while in north-east France L'Abri-tannique (based in Hedin, where the Wine Society has an outlet) offers a range of houses between FF60,000 (unrestored) and FF650,000.

**Inquiries in France (code 0033):** L'Abri-tannique (2181 5978); Philip Hawkes (8084 3002); 1-888 1111; Irène Mühlhoff (1-888 5656); In Britain: Barbery (0171-221 0555); Christoph Roth (01825-712054); La Résidence (01491-838485); Rutherford (0171-366 7340); GAK Williamson (01962-734999).

## On the move What to do when buying a second home

The vendor normally pays the agent's fee on French houses, but check that is the local practice. There is no extra charge for using UK consultants as they split the fee with the agent in France. You should find them a help in directing you to what you want in such a large country and steering you around the hurdles.

When house-hunting in France, remember that the agent has lunch from 12am until 2pm. If it is a run-down property, talk it over with a local builder - and perhaps an architect or surveyor - before you make an offer. A visit to the mayor is also sensible, preferably in the company of someone who knows him. He has far more power than any UK counterpart and should know of development plans that could affect you.

(Sprucehurst, £7.95).

A 19th century classic town house, with walled garden in Langeais near the Loire, would make an ideal base for exploring the region's *châteaux*, perhaps visiting the great *potager* at Villandry and tasting the wine. The price is FF900,000 through Domus Abroad (0171-431 4692). The agent also offers the 19th century Château de Bois Giraud, near Beaupréau, a little south of the river for FF3.045m.

North of the Loire in the Sarthe valley near La Mans, a splendid 18th century listed *château* with 13 bedrooms and 75 hectares (including a formal garden and park) is for sale for FF7m from Sifex (0171-384 1200).

In the less visited centre of France - by British visitors, that is - the fairytale Château de l'Isle at Touchy, south of Bourges, is for sale. Dating back to the 13th century, it has 9ha in the water meadows of the river Arnon and is offered privately at FF5m (01608-666281). A further 100ha could be available. The owners, an Anglo-French couple, are selling because of a decision concerning where to educate their four children.

A humble alternative in the same region of the Cher is a winemaker's *ferme* near the village of Sancerre, which sits on a hill above the Loire - and across the river is Pouilly-Fumé. The cottage has damp courses and electricity, but still needs work. The price is FF325,000, all fees and taxes included, from Cour de la France (4874 5526 in France, 0171-254 4570 in UK).

Gerald Cadogan

## LONDON PROPERTY

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## Gardening

## Rain restores border beauty

Robin Lane Fox says a weed harvest is a small price to pay for colour

Last week I stood in the Bristol Botanic Gardens and tried to contemplate their spiky Agaves and other plants for bone-dry gardens in summer. I was reminded of a visit to a deeply respected academic colleague in the later stages of his life.

During the visit I had thought I would cheer him up by suggesting that one or two of my more amiable contemporaries might be induced to come and call. I hit on the name of an apparently broad-minded philosopher. There was a pause, and he answered: "I suppose it might come to that."

It looked as if it was coming to Agaves in southern England, but now it has rained. Britain can enjoy a slight not seen for two or even four seasons.

Heavy rain on the turn into August restores the colours, enhances the grass and reminds us what we were all hoping to achieve with those careful plans of borders for flowering after the roses.

At last, once again, one can see the true beauty of phloxes. No family among familiar border plants hates dry weather more intensely. I ban the brilliant carmine, the rose-salmon and the excessively strident shades of purple-mauve. The rain has done wonders, however, to the self-explanatory Lilac Time, the especially vigorous White Admiral, which remains my first choice, and the subtle, rounded heads of the white Miss Lingard.

After the rain, phloxes will respond to further feeding with liquid manure which the soil will pass on to them and which intensifies their colour and their willingness to flower a second time in autumn - that is if you dead-head them promptly.

The recent dry summers have also taught me that there is a class of sun-loving plants which are very much better for regular, quick-draining water. It seems to be important for most of the best things from South Africa, especially the pink, red and white kaffir lilies, or schizos style, which are otherwise such a joy in August and autumn.

They flower half as well if they are too dry in June and



Dahlias flowering again after the recent watering

Bjorn Gronow

July and so I have been watering them resignedly in the past hot spell. Crocosmias are similar in all their increasing range of colours and sizes.

Last winter, I lost none of the forms which are so spectacular in mild gardens and whose hardiness is still uncertain. Even the orange Star of the East is still with me and I begin to think that the bigger danger is drought, not frost.

If you can water these corns in the growing season, they do seem to flower and increase much more freely. A love of sunshine does not entail a similar love of drought. Those of you who write in and say that these new stars of English gardens are unsatisfactory in Italy or Spain are probably confirming the view that they like a regular gentle rain. They are worth the effort because the yellows, flame scarlets and the variations in shape transform what used to be called the dull days of August.

Like these South Africans, dahlias have taken poorly to a dry season. Perhaps you can identify with my variable collection, divided between those which I had the energy to water and feed and those which were treated at random and sometimes left to the mercy of insects.

you rest the iris's new rhizomes.

They should not be buried or tilted downwards, as I saw them being interred in a public park last Tuesday. They flower properly if their surface is exposed on the soil to the sunshine and their roots run down either side, like the legs on a giant centipede.

If the rain means business, it is certainly worth dead-heading the flowers which are most capable of a second showing.

Delphiniums should certainly be decapitated and there is more than personal pleasure in removing the old flowers off roses which are able to come again. They will respond to the change in temperature and the rain should encourage a second season which was often erratic in the longer drought last year.

What is good for flowers, is also, of course, good for our eternal enemies. Weeds love it too and the result of the mercurial rain will be an astounding surge of seedlings in every corner. I suppose they are only bidding for a home.

However, I intend to hoe wherever there is bare earth and dislodge the little blighters before they catch me on holiday.

Two years of drought have held a harvest in the soil, as we experienced briefly when it last rained in May.

You never get something for nothing, but I am prepared to get to the end of chickweed in return for the sight of my borders, gleaming not drooping in the last of an evening's patchy sunlight.

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## PROPERTY



La Bastide Grande, near St Tropez, is a spectacular house in formal gardens with swimming pool and helipad



Provence-meets-the-Contemporary in this Robert Dallas house - for rent by Riviera Retreats at FF45,000 a week in high season

## Rent or buy: chacun à son goût

If you are considering the South of France, look for owners letting out their houses. Anne Spackman reports

I'm never coming back to the South of France," Elton John declared angrily to thousands of television viewers last month, after a woman had the nerve to wave at him on the tennis court of his hotel in St Jean Cap Ferrat. He may never go back to the hotel, but having just spent more than FF25m (£3.1m) on a house overlooking Nice, it seems unlikely he will desert the region altogether.

Elton John is the latest in a long line of the seriously rich and famous to fall for the charms of the Côte d'Azur. Earlier this year there were suggestions that the area's magic was beginning to fade under a cloud of traffic and environmental pollution. Certainly the masses have thinned out: tourist numbers were down last year. But, by contrast, scheduled flights are often full. It may be that the area is regaining some of its former exclusiveness.

There has also been a migration back from the coast to pretty hilltop towns such as Grimaud, La Gerolle and Mougins. This is partly the result of high prices but there is also a feeling among established residents that the coast had become de trop.

A similar shift westwards has

also occurred, with those priced out of Provence buying in the Langue-doc/Roussillon regions.

The French market - even on the Côte d'Azur - has seen prices fall by 30 per cent since it went into recession in the early 1990s. This year there are glimmers of recovery. Agents say prices have bottomed out, and, after three quiet years, buyers are reappearing. One of the most serious properties they are visiting is La Bastide Grande, a spectacular house in formal gardens, with a swimming pool complex and helipad, between the beaches and the shops of St Tropez. Currently the base of one of the drivers in the Benetton motor racing team, it is on the market with Hugo Skillington, Knight Frank's representative in St Tropez, at FF35m.

In such a low volume, nervous market, agents' prices are a very unreliable guide to the value of a house. Properties are selling for as little as 60 per cent of the original asking price. In reality, prices seem to have settled at around 1987 levels.

Jacques Chastagnier, president of John Taylor, the largest group of estate agents in the south of France, says: "The kind of people who sell here do not have to take

low prices. If they can't sell this year, they will wait until next year. That said, if anyone is thinking of buying, this is definitely the right time to do it."

At the moment the only people who are doing it are international buyers. Normally the market is split equally between French and

**There has been a migration back from the coast to pretty hilltop towns**

overseas. This year Chastagnier says 80 per cent of his business is international.

Of the overseas market the British are the largest single group, with the Germans, Scandinavians and other northern Europeans making up the rest. A few Americans still purchase and some Hong Kong money has started to appear.

For British owners, the franc fort policy, which has seen the franc rise 25 per cent in value against the pound, has cushioned them from

the worst effects of the recession. However, it has also scared off potential British purchasers. For other northern Europeans, with currencies barely affected, there are some good deals.

The Germans tend to go for the best houses, in the smartest places, in very good condition, according to Michael Zingraf, a German agent based in Cannes. Most northern Europeans follow the same pattern, with the coastal strip still the most favoured spot. The British are alone in preferring older houses with renovation potential.

One bonus of the recession is that buyers can afford to knock down a poor house in a good location and build something better in its place. One of the most popular architects for that kind of project is Robert Dallas, based in St Paul de Vence.

His very recognisable style combines old materials with a modern concept of light and space. Each house takes about a year to build and costs anything from FF3m to FF10m. Riviera Retreats, which rents out some of the smartest houses in the region, is letting a Dallas house set in the hills above Tourrettes. Its style could be described as Provence-meets-the-Contemporary. With six bedrooms

it rents out at FF45,000 a week in the high season.

Although the majority of owners are rich enough to ride out the recession, a few have taken a fall. The key is spotting the one or two in every patch who have to sell.

One good way of doing this is via the rental market. Owners who cannot find a buyer at the right price are likely to let their property to maintain their income. The rental agent will know if they are open to offers and the buyer has the chance of trying the property out.

A villa sleeping six people, with a pool, in the hills is likely to be let for around FF15,000 a week in high season. The most spectacular properties on the coast will go for 10 times as much. Richard Wolf, of Riviera Retreats, has let a luxurious villa at St Jean Cap Ferrat with eight bedrooms and bathrooms, a large pool, gymnasium and ornamental gardens for FF140,000 a week - and it is not the most expensive property on his list.

He is letting a beautifully restored, traditional farmhouse in 15 acres outside Grasse, with light interiors and a large pool, which the owner is looking to sell. With 10 bedrooms and nine bathrooms it costs FF50,000 a week in the high season. The sale price has fallen from FF18m to FF14m.

Wolf says families often buy a house when their children are small and let it when they hit the Disney-land age. They either come back when the children reach their late teens or they sell.

Until four years ago, Wolf says you could let anything as long as it was in the south of France. Now owners have had to up-date and improve their properties to be guaranteed a good income.

The prices may seem high, but at that level people are often choosing between renting a villa or chartering a yacht. According to Camper & Nicholson, yacht brokers, weekly yacht rentals cost from \$55,000 (\$35,250 up to \$150,000 a week, plus 20 per cent VAT, plus another 35 per cent for on-board costs for a boat that sleeps 12. By comparison, a villa looks relatively cheap.

Whatever is happening in the mass market, wealthy people are still attracted to the south of France. As Hugo Skillington says: "This is the nearest sophisticated sun and sea to the big financial centres of Europe and that ain't going to change."

(International code for France 0033) Riviera Retreats 93 13 34 00; Hugo Skillington 94 43 38 63; John Taylor 93 82 00 66; Robert Dallas 93 82 97 43; Michael Zingraf 92 89 19 19

## Durrell house for sale

When Lawrence Durrell bought his cottage just outside Nîmes in the mid-1950s it consisted of a kitchen, sitting room and bedroom in 27 acres of olive groves.

"He liked the area so much because it was hot, Mediterranean and sunny - like Greece - plus it had the advantage of really good food and wine," says Lee Durrell, widow of his brother, Gerald.

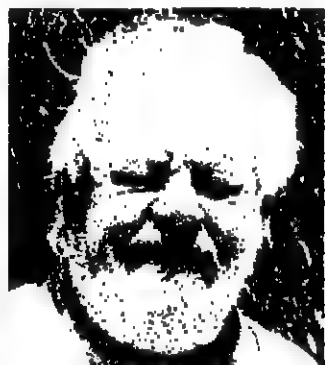
The Mazet, as he called it, was the house in which Lawrence Durrell wrote the books which made his reputation, including the first part of the *Alexandria Quartet*.

He gradually extended the property, putting in bathrooms and more bedrooms for his children, before moving on to a grander home at Sommières.

Gerald Durrell, who had been a frequent visitor to the house, decided to buy it from him in 1985. He and Lee added a conservatory, a swimming pool and a vast writing room with a fireplace and old terracotta tiles, where they spent up to six months of the year writing.

Lee was part way through landscaping the garden when Gerald died last year. "I've been down about three times since, but it's not the same at all," she says.

Lee Durrell is now selling the house, land and two cottages for FF75m. She can be contacted at her office at Jersey Zoo on 01534-864666.



Gerald Durrell's former house includes an olive grove

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## SPORT

Golf/Derek Lawrenson

## Jack Nicklaus invents his own Valhalla

The USPGA Championship, golf's fourth major in every sense, will be staged next week at a new Jack Nicklaus course outside Louisville, Kentucky, called Valhalla.

Just looking at the scorecard is enough to make the heart sink: only two par fours under 400 yards; the four par fives range in length from 515 yards to 605; the total yardage is 7,144 yards. Accordingly, we know what sort of major championship this is likely to be: a boring test of attrition.

Why does the greatest name in golf seemingly design every course placing the emphasis on length and difficulty? Nicklaus grew up playing golf on a Donald Ross course in Ohio but the work ethos of the great Scottish architect, who was responsible for many of America's

grandest designs, seems to have escaped him.

Ross wrote: "People seem possessed with the idea that length is the main desideratum but it is beyond all argument that many a long course is noticeably uninteresting in contrast to shorter ones that are well thought-out and skillfully constructed."

Nicklaus, perhaps, would argue that Ross did not foresee the advance of equipment that now enables players to hit the ball much further. But does this road always have to lead to the likes of Valhalla, and

golf courses that try to make up in size what they lack in personality?

The other question, of course, is why the organisers, the PGA of America, chose such a venue. The simple answer is that it is a course in which it recently acquired a controlling interest and it did not do so to host its monthly medal. So, alas, expect a Ryder Cup to be held there as well within the next decade. At least the USPGA championship will be well attended, with all 35,000 tickets each day having sold out over a year ago.

What makes the choice so unfortunate is that the PGA of America has tried successfully in recent years to upgrade the event. Its reward has been some enterprising winners. Five years ago a blond-haired hick drove through the night to hang around the first tee on the opening day.

He was the first choice to step into the tournament if anyone dropped out and, when Nick Price duly did drop out, to be with his wife at the birth of their child, he was naturally delighted. The orthodox story for such players is to struggle

to live up to their good fortune for they have had such poor preparation. But John Daly, for it was he, always did do things differently. He went on to win, drinking beer and walking among his adoring gallery on the final day, signing autographs in between shots.

What the game would give for another young player to emerge next week. The three majors to date have all been won by players pushing 40, and in these days of improved health and fitness, a golfer's prime years, when experience and talent meet, do appear to

have been pushed back into the late 30s.

But there is nothing better than seeing a young man fulfil his potential and a victory for the likes of Alexander Cefka, Michael Campbell, or, in particular, Ernie Els, would do much for the game's image. Els has contended for four of the last five major championships but, in his own words, has "been unable to finish the job".

One thing that should work in favour of the younger players is Louisville's stifling weather. It will not be much fun spending six hours each

day under a broiling sun in high humidity. Colin Montgomerie will certainly be glad he lost excess poundage last winter.

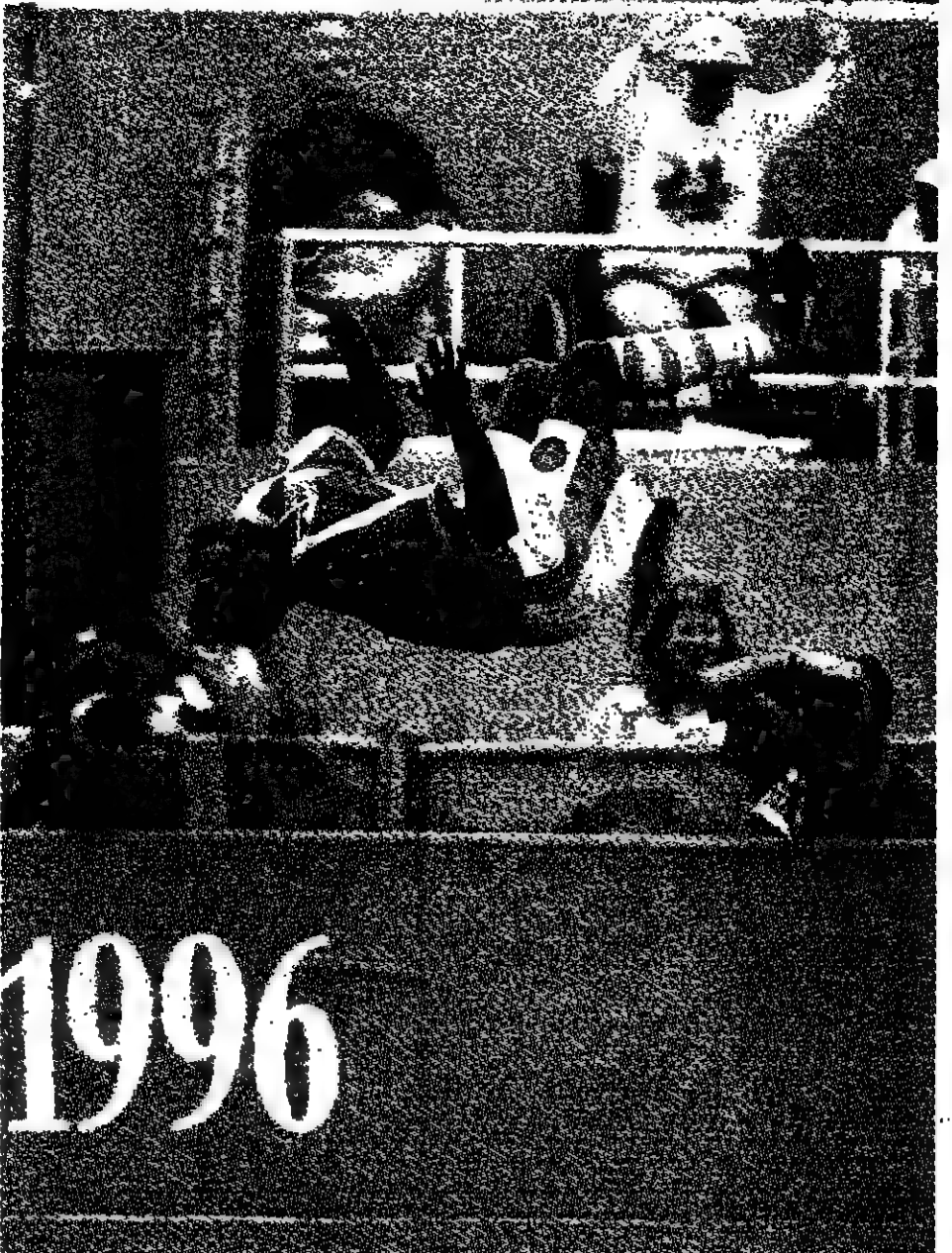
No doubt the usual suspects will be rounded up and discussed in the days leading up to the Championship. Nick Faldo showed at the Open that he is in good form and will be seeking one of the two major titles that continue to elude him; Montgomerie, who lost a sudden death play-off to Steve Elkington last year, needs to win to prevent his season petering out; Phil Mickelson

should prosper on the big, undulating greens and Fred Couples' high approach shots will find favour. But the trouble with unimaginative courses is they tend to produce unimaginative winners, so do not be surprised if a hitherto anonymous American enjoys his 15 minutes of fame.

The tag of sentimental favourite, meanwhile, will hang once more from Greg Norman's neck even though the Australian, who has overcome so many disappointments, is struggling to put behind him the grotesque happenings at Augusta in April. At the Open at Lytham last month he admitted that he had little motivation. For him at least, Valhalla, resting place in Norse mythology for slain heroes, appears a sadly fitting venue.



Left: Portugal's Paulo Alves clashes with Argentina's Roberto Sensi during Portugal's 2-0 defeat, and right, Celestine Babayaro of Nigeria celebrates his goal against Brazil. His team went on to win 4-3



Olympic football/Peter Aspdien

## Exotic final for the other Athens

You begin to wonder whether the Americans have yet got the hang of soccer when you see a street vendor selling T-shirts with the slogan "Kick Me" emblazoned across the front. But the relationship between this mighty nation and the game it is so anxious to understand is going through a good spell right now.

Olympic soccer has attracted extraordinary crowds in the various venues around the country, tempting a total of more than 1m spectators to embrace the cause so far.

The average crowd number of about 34,000 is impressive especially when one considers that some of the games here - Denmark versus Sweden in the women's competition, for instance - have been less than compelling.

The final stages of the tournament are being held in Athens, Georgia, a peaceful university town which has taken full advantage of its fortuitous name to organise a "Panathletic festival" during these centennial games. The posters feature graceful Ionic columns and laurels, which is more than a touch misleading.

The only architectural detail to have aroused local passions is a hedge which has surrounded the Sanford Stadium, in which the soccer matches are being played, since its construction in 1929. The hedge has been something of a symbol for the local college American football team, the

Georgia Bulldogs; but parts of it have had to be uprooted to widen the pitch.

Traditionalists curdled: this was nothing less than an attack on American values. But the crowds have answered back. The enthusiasm for soccer is palpable and genuine. As a compromise, small parts of the hedge have remained in place; but the heated debate has turned into an irrelevant sideshow. More to the point the South Americans and the Africans are in town.

Today's gold medal match between Argentina and Nigeria may not provoke the intensity of a World Cup final, but it is an important game in its own right. Olympic football is essentially an under-23 tournament, with three over-age players allowed in each squad. The restrictions were demanded by a nervous FIFA, world football's governing body, which was worried that its own World Cup tournament would be overshadowed.

But South American and African countries use the Olympic competition to blood their young teams for the next World Cup. Add a sprinkling of experience, and the sides are not far short of the real thing.

Argentina, 2-0 winners against Portugal in the semi-final, have Javier Zanetti, Diego Simeone and their richly talented play-maker Ariel Ortega, all of whom might expect to feature in the full national side, in their squad. Nigeria, who sensationally beat Brazil in extra time after being 3-1 down

with just 13 minutes to go, feature Daniel Amokachi of Everton and Kanu, the young Ajax striker who is poised to join Inter Milan.

Brazil's team was even more star-studded, featuring Juninho, Ronaldo, Aldair and Bebeto. But defensive lapses and a touch of complacency cost them dearly in the semi-final as Kanu scored a last-minute equaliser and a golden goal winner just four minutes into extra time.

**Patriotism, rather than curiosity or fanaticism, has inspired US support**

The European sides here have not been so strong. The Olympics always coincide with European Championships, so there is a definite B-team feel to their squads. Still, Italy brought a respectable team to the US, only to be beaten by Mexico and Ghana in the group games.

The sub-text here was the performance of manager Cesare Maldini, hotly tipped to succeed Arrigo Sacchi as coach of the full national side after Italy's disastrous Euro 96. He has hardly shone. Spain, too, were power-

ful on paper, but lost 4-0 to a rampant Argentina in the quarter-final.

The Argentines were more relaxed in their victory over Portugal, adopting the Michael Johnson approach to qualifying for finals: easy does it. In truth, it was a dull match for the crowd of more than 78,000, who must have expected more.

It is the standard European put-down of American soccer crowds that they are very willing to clap and cheer, but do not know when to do so. Even the most fervent aficionado would have found it tough here, however. Only the neatly taken goals of tournament top scorer Hernan Crespo, just signed for Parma from River Plate, lifted the torpor.

Anyone returning the following day to see Nigeria's victory over Brazil might have thought they had had stumbled on an entirely new sport. Here was a classic confrontation, full of skill, drama, mistakes and emotion. It was a breakthrough day for African soccer. The Argentine coach, Daniel Passarella, will not make the mistake of underestimating his opponents.

Remarkably, the women's tournament, featuring for the first time in the Olympics, has attracted equal attention to the men's contest. Here, it is patriotism rather than curiosity or fanaticism which has inspired support. The US were favourites for this tournament, and were lifted by more than 64,000 people in their extra-time semi-final victory over Norway.

Striker Mia Hamm features in a high-profile advertising campaign by Nike, and is fast becoming a household name.

There is little correspondence between the strength of women's teams and their male counterparts. The notable teams in the competition, apart from the US, have been Norway and China. Brazil surprised everyone, not least their own compatriots, by reaching the semi-finals. But that might just be something to do with the extraordinary names on their team-sheets.

Consider this: not only do you have to contend with Suzy and Fanta in their back four, but then you have to beat the mighty Meg in goal. And if that is not enough, there is always Michael Jackson in attack. Yes, Michael Jackson. "Brazilians often take nicknames, like Pele and Zico," explained a spokeswoman. But Michael Jackson? "Well, she looks a little bit like him."

She was not the only Brazilian to have turned ghostly white after that famous Nigerian victory in the men's tournament, however. Coach Mario Zagallo paid tribute to African football after the match and hailed a "beautiful game". But fighting for the bronze medal, just like the women, is not what he had in mind. The Americans will be out in force for the final, cheering those who have brought colour and exoticism to their town.

Olympic sailing/Keith Wheatley

## A great week for small landlubbers

Olympic sailing is generally a reasonably predictable business but the past week in Savannah stood the firm book on its head.

Hot favourites discovered life at the back of the fleet and countries with no record in yachting took home the silverware. Lai Shan Lee won the women's boardsailing to give Hong Kong its first - and last - Olympic gold medal.

When the 25-year-old sports administration student defends her gold medal at the Sydney games it will be under the Chinese flag. "I sailed conservatively as I had better boat speed and was physically fitter than the others," said Lee, who won with a race in hand.

Mateusz Kozmierzewicz gave Poland its first ever yachting gold with a win in the Finn class. He had never won a major regatta in the single-handed dinghy and was a surprised medalist.

In a sport that depends on split-second timing Kozmierzewicz tried an unconventional approach. "After four days of racing my watch broke. Until then I hadn't been doing too well," he said. "I didn't wear a watch on the last six races and I had really good starts."

It had been a great week for the Eastern European sailors, confounding the Anglo-Saxon belief that a long coastline and a seafaring tradition wins Olympic medals. The Ukrainian men's 470 dinghy team took the gold medal with a race in hand.

Yevhen Braslavets and Thor Matviyenko came ashore to the Olympic marina refusing congratulations and avoiding all attempts to interview them. In the absence of an interpreter there was no one on hand to dispel their mistaken belief that a protest had robbed them of a medal.

If it has been a great week for the small, landlubbers nations, the past seven days have represented a little local difficulty for the host nation. The US team has for decades been a dominant force in Olympic yachting, returning from foreign shores with a boat-load of medals. In Barcelona, for example, American sailors took nine medals in 10 divisions.

On home waters the results have been grim. The regatta was all but finished when Courtney Becker-Dey sailed a ferociously determined last race to take the bronze medal in the Europe class, and became the first team member to mount the podium.

Becker-Dey was navigator of the world-breaking America's women's team in the 1995 America's Cup and a hugely experienced competitor. But so were many of her fellow team members. This was no team of rookie youngsters, such as the virtual "youth squad" selected

- with considerable success - by Britain.

Mark Reynolds, for instance, finished a startling eighth in the Star class, the division where he won the gold medal in Barcelona. The Star is an immensely complex and subtle keelboat requiring years of experience to succeed, but even the new-boys from Samoa beat Reynolds. One theory says that having Savannah on their doorstep, the Americans practised too much on the actual racecourse. Over the course of a year conditions on Wassaw Sound are predictable with a steady sea-breeze on 30 afternoons out of 100. Except last week.

"I would have been much better off if we hadn't sailed here so much," said US board-sailor Mike Gebhardt. "We

**For many sailors and spectators Ben Ainslie was the discovery of the Games**

kept waiting for certain things to happen because we have been here the past four years almost non-stop. When those conditions didn't occur, we didn't react quickly enough."

For many sailors and spectators the great discovery of these Games was Ben Ainslie. Aged barely 19, the British youngster took a silver medal in the Laser class and showed a composure and ability way beyond his years. His soft-spoken charm was disarming. "It's very easy to think that Ben is just a big kid with not much to say, who hasn't understood what's going on," said one of his fellow team-members. "In fact, he's one of the most thorough and professional competitors I've ever come across."

In what has been overall a dismal Olympics for Britain in terms of medals won, the sailors have been a inspiration. With the Sailing team of Andy Readworth, Barry Parkin and Adrian Stead doing well in both the fleet-racing and match-racing sections and Shirley Robertson's desperately unlucky fourth in the single-handed Europe, a well-planned structure has delivered the goods.

The majority of the British team had come up through the Royal Yachting Association's youth squad, coached by Jim Saltonstall who followed through to become Olympic coach.

This continuity is known to have won the approval of Craig Beedie, chairman of the British Olympic Association, who is embarking on a review of what British sportsmen and women need to succeed at Sydney 2000.

Motoring/Stuart Marshall

## Diesel may become the dominant car fuel

Global warming is firmly on the environmental agenda. But no one really knows whether man-made emissions of carbon dioxide are going to make the oceans rise and glaciers melt and transform Kent into Provence. John Gummer, Britain's environment minister, apparently has

## MOTORS

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no doubts. Some scientists, while agreeing that a small amount of warming has taken place, doubt the accuracy of the computer models predicting climate changes. Others even think another ice age is, long term, a far greater potential threat.

But never mind. Reasonable people will surely agree that anything which reduces the amount of poisonous man-made muck (and non-poisonous but unwanted carbon dioxide) put into the atmosphere has to be a good thing.

One does not have to be an eco-freak to approve of US President Bill Clinton's late awakening to the gross over-consumption of oil in the US. Unlimited availability of cheap gasoline has never been an article of faith in Europe as it has in the US. On average, the British pay around three times as much for heavily taxed petrol - which is why we pour so much less of it into our relatively small-engined cars.

Catalytic converters were America's solution to the vehicle exhaust pollution that wreathed Los Angeles in smog.

The preferred European solution was lean-burn engines, which reduced emissions by using less petrol.

But the politicians had the bit between their teeth. Pruning lean-burn development was sidelined and since 1993, all new petrol-engined cars in the European Union have had to have catalytic converters.

Paradoxically, in purifying car exhausts, catalytic converters convert some of the poisonous elements into carbon dioxide. The slightly higher petrol consumption of a catalysed car does nothing to help: carbon dioxide

emissions are directly related to the amount of fuel burned.

Which is where the diesel car comes in. The diesel is the ultimate lean-burn engine. By now the truth about its greater environmental friendliness should be familiar. Sadly, it is not. In spite of a continuing Department of Transport purge, plenty of smoky lorries, buses and taxis are still giving all diesels a bad name.

Yet only a few days ago Lucas Diesel Systems became the first London company to win The Queen's Award for environmental achievement.

Its electronic unit injector system (EUI) reduces all diesel exhaust emissions. At present it is used only by big truck engine manufacturers in Europe and the US, where it more than meets the emission standards future legislation will demand.

EUI units are being developed for car engines. They will speed up the switch from indirect to direct injection for diesel car engines. This boosts their fuel economy advantage over petrol cars from up to 30 per cent at present by a further 10-15 per cent.

Volkswagen/Audi is the leading maker of DI diesel cars at present, followed by Rover. Vauxhall/Opel has just introduced an advanced multi-valve 2-litre DI car diesel. Ford will not be far behind and the rest of the industry will gradually fall into line.

Now a few facts to clear the air. On a short trip starting with a cold engine, a petrol car produces 15-20 per cent more active pollutants and can use up to three times as much fuel as a diesel. In France, Germany and Britain, 80 per cent of car journeys are of less than

10km/6.2 miles and 47 per cent less than 3km/2 miles. Fewer than 25 per cent of European car journeys begin with a warm engine.

Worst polluters among cars are old, high mileage, non-catalysed vehicles. Last year nearly 90 per cent of the petrol cars in France and the UK did not have catalysers. One car in poor mechanical condition can cause as much pollution as up to 40 that have been well maintained.

Advances in engine technology in the past 10 years have reduced diesel emission levels by 75 per cent. Progress will continue until, by the year 2010, diesel may well become the dominant car fuel because of its greater economy. I am not a trendy person, but it became so for me 20 years ago.

صوتنا من الامم



FOOD AND DRINK

# Bali, where barbecues go back to basics

Nicholas Woodsworth samples the pungent, delicate flavours which make a sensual, subtle cuisine

I have spent more evenings than I care to remember slapping mosquitoes and listening to suburban chefs drone on about their high-tech backyard barbecues. I was therefore delighted, not long ago, to watch Balinese villagers in the small hillside hamlet of Tirtaganga roast a suckling pig.

Did they sit on into the night arguing about plug-in models versus propane models? Did they vaunt the merits of electronic ignition? Did they debate the qualities of smoke aspirators, chain-driven rotisseries, self-cleaning porous heat conductors? No, they did not. Using bamboo poles and banana tree trunks for moving parts and coconut husks for fuel, they employed barbecue technology that not even Fred Flintstone would have found challenging.

No doubt the Indonesian approach has its disadvantages - someone has to crouch by a hot and smoky fire for six hours turning a spit by hand. The advantage, for outwitting the drawbacks, was the final product.

No one had bottled barbecue flavour on to this spit seven into its stomach cavity was a generous mixture of chopped ginger root, fresh turmeric, cloves, nutmeg, lemon grass, onions, chillies, garlic,

and lime leaf. Around and around it went. The result was a spicy, aromatic, smoke-seasoned dish redolent of all these flavours. Was all Indonesian cooking like this, I wondered - ridiculously simple and subtle?

The question came back to me a few nights later. Temporarily forsaking the calm of the countryside for the bright lights of the sophisticated Balinese resort of Nusa Dua, I was sitting at the outdoor restaurant of the Nusa Dua Beach Hotel. Before me, Ketut Mardana and his team of cooks were putting together some elegant-looking meals.

Mardana is a much-travelled chef, having more than once taken the cooking of Indonesia on the road to Europe and mainland Asia - he recalls with shivers a cold four weeks he spent as a guest cook at The Dorchester Hotel, in London. He is still trying to get warm.

His own country, 18,000 islands straddling balmy seas north and south of the equator is, of course, much warmer. Indonesia's tropical

lushness not only gives it a wide range of exotic fruits, vegetables, and seafoods unfamiliar to western palates; it also provides the islands' cooking with their very essence.

Not far to the east of Bali lie the Moluccas, the original "Spice Islands" so rich in the flavours coveted by the west that the colonial navies of Holland, Portugal and England prepared to go to war over them.

I asked Mardana if Indonesians, nonetheless, were not still more proficient in their use. He agreed with me - in Bali the use of spices, some pungent, some delicate, makes for a sensual, subtle, complex cuisine. Balinese-style roast suckling pig just happens to be his own favourite dish, but he took the time to show me his kitchen and tell me of some of Bali's more sophisticated fare.

*Lusur*, unripe jackfruit cooked with slices of beef in a fiery sauce of grated coconut, chilli and garlic; *sayur lute*, duck or water buffalo meat minced to a paste with spices

and grilled kebab-style on a skewer; *garang asem ayam*, a powerfully flavoured chicken stew; *arab labele*, whole duck cooked with bamboo shoots; *jeruk ayam*, julienned chicken simmered in a mild coconut-milk sauce of black pepper, garlic and ginger - such were some of

**In Indonesian cooking the simple forms are as enjoyable as its complex ones**

the dishes Mardana described. That evening, however, I settled for tiger prawns in a hot-and-sour sauce - where fried chillies raised the heat of these morsels, and tart tamarind, squeezed limes and the juice of the south-east Asian starfruit lowered it deliciously again.

Served by candlelight in a sea-side garden where dancers performed Indonesian *legong*, it was as elegant a meal as the tropics offer.

Take away the elegance, remove the expensive ingredients from cooking in most parts of the world and what happens? The meal collapses. But as I discovered when I returned to Tirtaganga, the wonderful thing about Indonesian cooking is that its simple forms are just as enjoyable as its complex ones.

Most Balinese remain what they have always been, rural rice farmers, and delicacies such as tiger prawns, beef and duck are too expensive to be eaten outside the feasts prepared for holidays and religious festivals. The basis of daily meals - breakfast, lunch and dinner - is rice, but it is astonishing how the simplest fare and the most meagre surroundings are enlivened by a little imagination.

In Tirtaganga I took to eating my meals at the Warung Rama, a warung being the cheapest and most popular kind of eating estab-

lishment to be found in Indonesia. Sometimes they are no more than a table and benches thrown up on the pavement with a portable kitchen sheltered under a shady tree behind. The Rama was a notch above that, a one-room building set by a country road with a tin roof extending out over an earth-floored terrace.

At night, hanging light-bulbs burned over the three dining tables set out there. On the building's outside walls were old pharmaceutical company calendars and soft-drink adverts - on windless evenings pale and fleshy geckos scuttled around them in their hunt for winged insects attracted by the light. Sweet incense wafted from a stone shrine by the roadside, mixing with the faint, lingering smells of exhaust from the day's traffic.

Inside, a sort of Indonesian-style convenience store took up much of the front of the building - one could buy rice, dried shrimps, fertilised chicken's eggs, cassava, pawpaws, lumps of brown palm sugar, honey

in bottles, flip-flops, beer and cigarettes. None of this left much room for the food preparation itself, done on the floor at the back of the room by the smiling, sarong-clad cook, Nyoman.

It was all as unlike a luxury hotel restaurant as I could imagine. Yet it seemed to me that the meals I ate there, all of them the simple and inexpensive standbys favoured by ordinary Indonesians, were delicious.

Over the next few days I tried such dishes as *pado-pado*, steamed bean sprouts and vegetables topped with a spicy peanut sauce; *mie goreng*, wheat noodles stir-fried with bits of chicken and greens; *lumpia*, small rolled pancakes filled with shrimp and crispy vegetables and fried. Helped by a bit of subtle spicing, even the most common dish of them all, *nasi goreng*, or fried rice, was good. What turns the ordinary into the extraordinary is that little bit of added flavour - the pinch of fresh chopped ginger, the dollop of chilli sauce, the spoonful of shrimp paste, the shake or two of soy sauce. They are what I think of when I hear my summertime neighbours, in search of backyard dining perfection, discussing the latest piece of high-tech barbecue gimmickry.

## Olive oil: the truth and the myths

Giles MacDonogh looks at how slick marketing has boosted sales

Some time in the mid-1970s I got it into my head to make a *ratatouille*. The recipe specified olive oil and I finally tracked down a small bottle in Boots, the chemist, then one of the few places to stock such things.

In those days olive oil was sold as a laxative, or for cleaning the wax from your ears, not many people in England imagined that you might want to cook with it.

I have no idea what the source was for Boots at the time. Possibly it was Greece. The first olive oil I was able to use in quantity was definitely Greek. It was dark and syrupy in texture, and turned up in demi-johns courtesy of a member of the household who had become obsessed with the Hellenes. It was used to fry aubergines or eggs, adding its pungent aromas to our everyday foods.

Olive oil was also scarce in my Paris years. Most northern French people retained unpleasant childhood memories of the stuff, which was their equivalent of cod liver oil. In those days it was considered too heavy a flavour for salads and peanut oil was preferred. I still liked it, and surprised people by using it in mayonnaise. I bought it from a shop called A l'Olivier in the rue du Cherche-Midi, which also had a branch on the Ile Saint Louis. The provenance escapes me, possibly it was not even stated.

Olive oil was not even that popular in the south. Friends in Provence who possessed a small olive grove took their oil to a local co-operative to be pressed for the use of the local hospital. They retained a small quantity for their own needs, but no more than a few litres a year. Only in Nyons and Les Baux was it produced on a commercial scale. Many of the trees had been blighted by the great frost of 1856 and were never recultivated. Even before then, Provence cooked more with water or pork fat than it ever did with olive oil.

The oil's current popularity was created by clever marketing in Italy and it is now falsely assumed that olive oil is the principal cooking agent for all those countries bordering the Mediterranean. Olive oil became fashionable outside Italy when aristocratic growers, chiefly in Tuscany, marketed a little olive oil alongside their chianti or brumello di Montalcino. This came in smart bottles with pretty labels and the prestige of the oil seemed almost to increase in proportion to the number of quarters on the family coat of arms.

After 1985 a large amount of this oil was also rumoured to be Greek, as

Tuscany could not possibly have satisfied world demand for its slightly bitter oils with the few trees which had come through the frost unblighted.

Which is not to say that Tuscan oil is bad: it has what French wine writers would call *terroir* from being grown at the climatic limit of production, something which makes it fiery on the palate. Many people honestly prefer the sweeter, more buttery oils from warmer parts of the Mediterranean. In Apulia, for example, there are vast groves of olive trees with huge trunks, said to be several centuries old. A little marketing and these oils might become just as famous as those of Chianti.

Which brings me back to Greece, just a few miles away, across the Strait of Otranto. Greece is the world's third biggest producer of olive oil, and by far the biggest user. Greeks would like to sell more of their oil directly to the olive-starved north of Europe, but for the time being its produce lacks the cachet of those from Italy, Spain, or even France.

The relatively poor market showing of Greek olive oil caused much belly-aching and hand-wringing at a conference organised by the British Hellenic Chamber of Commerce in Athens in June. Although Greece could field a wide variety of olive oils from its regions, it lacked the marketing credibility of oils from the western Mediterranean. Partly this was the result of the tarnished reputation of its gastronomy, partly the lack of a posh, noble-estate image. Italy gets a better class of tourist, and its oils reap the rewards.

I have no great knowledge of Greek food, having visited the country only once, but it would seem that Greece offered a menu more in keeping with the Anglo-American concept of the Mediterranean diet than most parts of central or northern Italy. Food is green and simple and drenched in olive oil. As Greeks have got richer, meat has played an ever greater role, but you may detach it without spoiling the taste, which must be good news for roving vegetarians.

On the second day of the conference there was a tasting of olive oils from the different regions of Greece held by the lovely old Kaiseriani Monastery above the city. Most of it would have been made from the Koroneiki variety. The other main variety, Kalamata, tends to be reserved for table oils.

Crete and the Peloponnese are generally



Detail from an amphora in the British Museum from The Essential Olive Oil Companion by Anne Delamora (Grub Street, £10.95)

deemed to be the best regions. At the tasting the Spartan oil got my best marks: it was green and grassy, and had a slightly fiery finish like a Tuscan oil. The runners up were a Mountain oil also from the Peloponnese, and another from Chalcidice in Euboea.

The Mountain oil is available here. It was Mani from Laconia, an unfined, organically produced oil which may be had from Sainsbury (170 shops, £4.19 for 500ml) and good delicatessens. It is a bargain at the price.

For me, however, even more gripping than the tasting was a lecture

delivered by Father Nikolaos Kondovounis on the importance of olive oil in the Greek Orthodox rite. Father Kondovounis cut a splendid figure with his bushy beard and raised-pie hat as he blessed the oils for our tasting.

He did not deny that the significance of olive oil for Greek Orthodox Christians had been carried over from the ancient Pagan religions. Olive oil had had a healing function long before it was realised to have culinary uses and this was its chief significance as far as the Church was concerned together with the symbolism

derived from its use in lamps. Olive oil plays a role in the sacraments of Confirmation and Extreme Unction in Greek Orthodoxy; on both occasions the supplicant is anointed with oil.

This too was a legacy of the ancient world when wrestlers daubed their bodies in oil to prevent their opponents from getting a grip on them. In the Orthodox rite the oil was supposed to allow the Christian to slip through the hands of the devil: a use for olive oil which does not even appear to figure in the nostrums of the British pharmacist.

Less visually appealing, but just as effective, is the new wine list at The Stones Caf, primarily a seafood restaurant, in Charleston, South Carolina.

The traditional "regional and varietal" format - perhaps the most common in Britain - has been abandoned and wines are listed by their most suitable food pairings. There are white wine recommendations for shellfish and delicate fish such as sole; richer whites for salmon, tuna and pasta dishes;

■ These days I drink Pinums about once a year but when I do I like to add a sprig or two of borage. However, the herb is increasingly hard to obtain. Only Asda and Waitrose claim to sell fresh borage, and the latter only occasionally. The easiest remedy is to obtain a plant from Culpeper, the herbalists (0171-629 4569). You may also like to add mint, apple, cucumber and lemonade. **GMCD**

## Restaurants The search for user-friendly wine lists

The standard of wine lists in most British restaurants has improved. Generally, there is a wider choice, prices are kinder, more - but still not enough - and there are fewer of those plush, red books with more wines out of stock than in. Many restaurants are worth a visit just for their wine lists, for example: RSJ, in Coin Street, London SE1; Chiaroscuro, Townhouse, Coptic Street London WC1; the Penelope Arms, in Aberdovey, Wales; and the White Horse Inn, Chillingham, in West Sussex. On a Monday night, when there is no restaurant mark-up on the wines, Harvey Nichols Fifth Floor, in Knightsbridge, London SW1, is a must.

Yet too many wine lists are being written to a formula; to a dash of New Zealand add something from Oregon and California with a few more expensive bottles from Bordeaux and Burgundy to tempt expensive account dinners. Nor is enough explanation offered on how the wines taste or which dishes they might best accompany.

Just how do you find a wine that goes with sun-dried tomatoes, blackened snapper and lemon tart? Are British restaurants lazy about this or just unimaginative? In the US, desktop publishing is being employed to please customers and maximise sales. The most innovative wine lists were brought together in a recent issue of Restaurant Wine, a California newsletter. Significantly, although Restaurant Wine has subscribers in Singapore, Australia and Austria, there are none in the UK.

The most eye-catching new wine list featured by Restaurant Wine was at Charley G's, a seafood restaurant in Metairie, Louisiana. A waitress had suggested using graphics from her desktop publishing kit to enhance the wine list. The list is now headed by six symbols (a tomato for a wine that goes with sun-dried tomatoes, a cow for if you are eating steak or chops; a chicken for grilled fowl; a cream bottle for cream-based sauces etc).

These symbols reappear on the list against the wines the management has tasted and judged most suitable for various dishes. Three different pinot noirs are listed but are judged to go best with three different types of food. Aside from introducing an element of fun, this new format has increased wine sales by 40 per cent.

■ Restaurant Wine, tel 001-707 324 4777, fax 001-707 224 6740. Internet site: [www.winetaste.com](http://www.winetaste.com). E-mail: [reswin@winetaste.com](mailto:reswin@winetaste.com)

and red wines from California, Australia and France for anyone choosing salmon (the red wine fish), lamb, duck or pasta. The increasingly difficult job of selling even a glass of wine to many customers at lunch-time has been overcome by three different approaches. At The Pleasanton Hotel in California, brief wine descriptions written by the proprietor, such as "my wife's favourite pinot" have resulted in wine orders that do not involve lengthy discussions between customer and waiter. At the Caf & Chili Bar, Washington DC, the wine list was reduced to 15 selections, each of which sold for \$15 a bottle or \$4 a glass - perfect for the business lunch table.

At Layla, a Middle Eastern restaurant in New York, the wine list incorporates questions to provoke customer interest and experimentation. What to drink with mezzes as a first course? Answer, one of its five roses. What did the gods drink on Mount Olympus?

Answer, Dom Perignon 1988. And the list is not ashamed to identify the cheapest and most expensive wines. It also recommends the best wines for romance (Domaine de l'Arlot's 1992 Vosne Romanee) and for impressing your boss (Chateau de Beaucastel 1993).

In Los Angeles, chef Wolfgang Puck decided it was time to revamp the list of his long-established success, Spago. In came master sommelier Michel Bonaccorsi with a large budget for new wines, and, after much discussion, in too came Chateau d'Yquem, the world's most expensive wine, not to be sold conventionally by the bottle but by the ounce - at \$14 a shot. This proved so popular that the first case of 24 half bottles went in six weeks.

Spending on wine rose by \$2 per head, generating for Spago, which serves 300 customers a night, 360 nights a year, extra sales of \$216,000.

To reap such rewards and to do away with over-talkative wine waiters, British restaurateurs must pursue a more adventurous wine-selling policy. They could do well to let their word processors do the talking - and the selling.

■ Nicholas Lander

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Waitrose tell me, that "due to demand". Kentish-grown cooking cherries have been stocked by some of their stores this week. Just right for the recipes I gave last Saturday.

Weather permitting, limited supplies of these sour cherries should still be available this weekend. Sold in 500g punnets at £1.99, they are clearly labelled "cherries for culinary use", to distinguish them from dessert varieties. This is a sensible precaution since they are the gloomiest sour cherries I have ever seen and might be mistaken for sweet ones.

The variety is called Kellers. Waitrose describes it as a morello replacement, with the same soft flesh but a

higher sugar level and a smaller stone. It lacks the spicy flavour of some sour cherries but, to my taste at least, it is tartly refreshing to eat raw. I may try dipping Kellers in chocolate to serve to sweet-toothed friends as *patis fairs*.

Another distinctive feature of these cherries is that they do not come in pairs or clusters, but singly with short-cut stalks as a result of being snipped individually from the tree.

And apologies for the blip in typing last week's recipe for Morello Jam with

Almonds, which inadvertently listed far too much sugar. The correct ratio of ingredients is 750g (0.75kg) of sugar for every kilo of sour cherries.

A rolling boil of one minute was enough for me using morellos grown by friends, but fruit can vary greatly. If your syrup looks dangerously thin at this stage, add the liquid pectin and boil for a few minutes more, checking for a set using a thermometer or saucer test.

Glad tidings from Suffolk reveal a source of fresh morellos in that county this

weekend and during the early part of next week - weather and supplies permitting, of course.

The farm shop at Hill Farm, Boxford, near Sudbury (tel: 01787-510848) is open from 9am to 5.30pm Mon-Fri (closed on Sat and Sun). The adjoining pick-your-own orchards are open from 10am to 6pm seven days a week.

■ Did you know that Dundee cake was originally made by Kellers as a by-product of its marmalade business when surplus orange peel was put

into a cake topped with whole blanched almonds?

There are many pretenders but the authentic cake recipe is still made by one specialist baker - whose name and address are to be found in the second of *The Food Trails of Scotland* series, Catherine Brown's guide to Tayside. Brown is a renowned regional food writer. Her knowledge about the foods and cooking of her homeland are probably second to none. Her pocket-size guide is brief but pertinent, not definitive, but an independent and personal selection of the best



## TRAVEL

**W**e were sitting on a sandy beach on a warm, sunny October day.

Behind us a tree-lined promenade was flanked by a few small white-washed hotels, restaurants and apartments, none more than two or three storeys high. Behind these were quiet streets: a chemist, a fashion boutique, paper shop, small supermarket, several cafes.

Could this be the Costa Brava? Its small scale seemed far removed from the high-rise tourist honeypots the name conjures up.

It was Central Costa Brava to be exact, on the Catalan coast, known locally as Empordà, where the forested Pyrenees sweep down to a rocky coastline and a piercingly blue sea.

The village was Llafranc, and we were on a six-day walk that was to take us to medieval hill-top towns, through pine forests and olive groves, and along wooded coastal paths. We were staying at family-run hotels to which our luggage was transported for us.

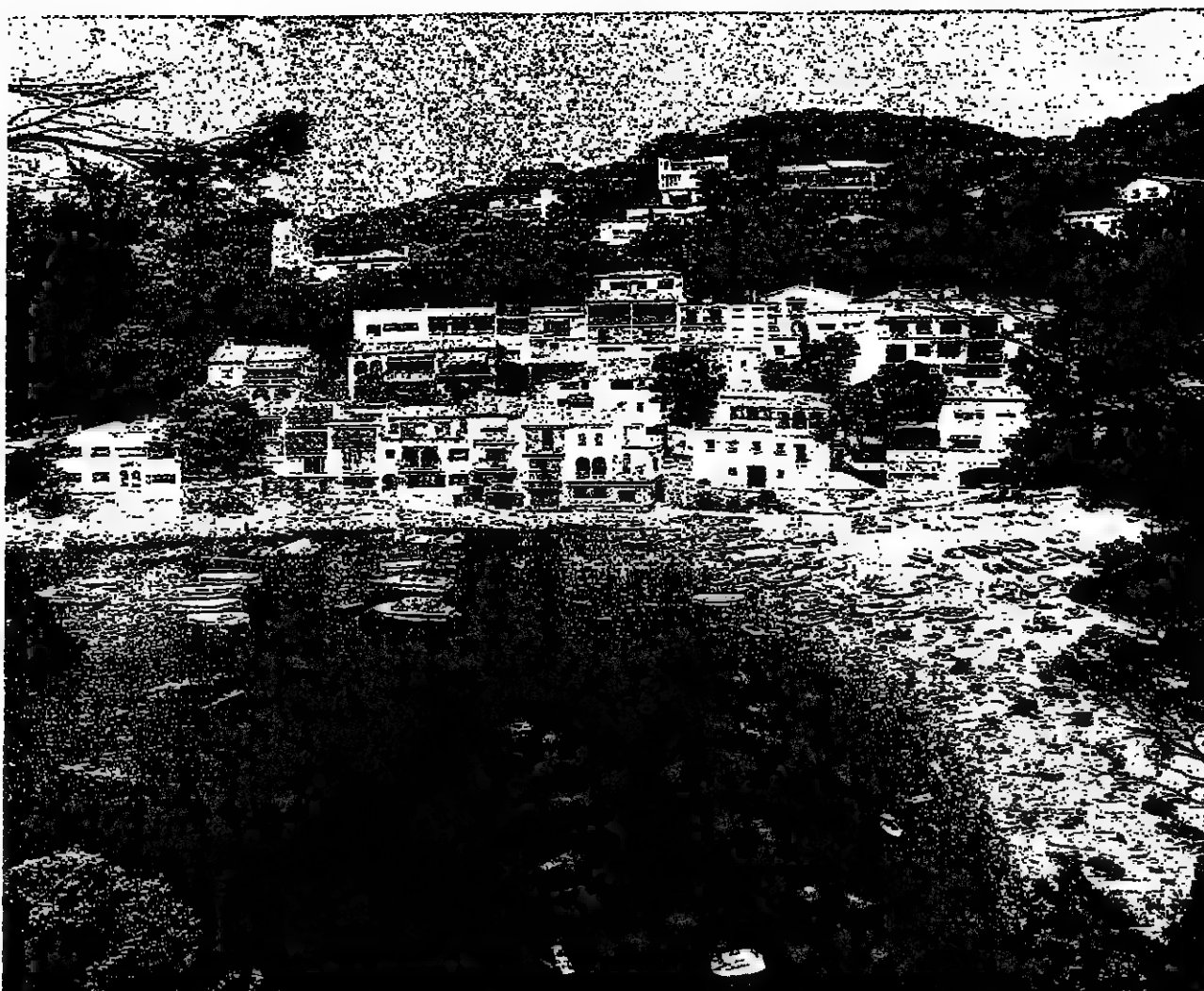
We started out from a spectacularly converted 18th-century farmhouse, the five-star *Mas Torrent*, 1½ hours drive from Barcelona (or an hour from the French border). The hotel has individual lodges in the grounds, 10 suites in the main building, and has been owned by the Figueras family for 35 years.

"The farm belonged to my brother," Signora Figueras told me. "One morning he was looking at the wonderful view we're looking at now, and felt he wanted everyone to be as happy as he was at that moment. So he converted the building into a hotel and arranged very romantic bedrooms."

It was a wonderful view: a wide plain spiced with dark, slender cypress trees, that spread across to the sea and the rocky Medes Islands beyond.

Wrangling ourselves from the beauty of hotel and view, we walked along quiet roads where butterflies fluttered and mauve scabious and yellow fennel grew on the verge. There were copses of evergreen oaks whose trunks are used for making cork (this is the biggest cork production area in Spain), and wild narcissus and tiny orchids growing in fields which in summer are full of poppies.

The neighbouring village of



Costa Brava - but not as we know it: Tamarit is a small, select resort favoured by the prosperous from Barcelona



Great walking country in the Odesa National Park

## Striding out in Catalan country

Away from the Costa Brava's high-rise hot-spots is a walkers' paradise, says Angela Wigglesworth

Peratallada was preparing for a market the next day. Coloured flags were looped across the narrow medieval streets and stone archways, and bananas and strings of garlic hung from garage rafters and balcony railings.

At a café in the Plaça de les Bruixes (place of the witches), we tried our hand at drinking wine from a *porron*, a carafe with a spout. You put your head back, open your mouth and pour the wine in - not as easy as it sounds. Here we also had our introduction to the delicious *pa amb tomà* - large slices of bread soaked in olive oil and rubbed with tomatoes,

a speciality of this region.

A few miles away in Pala, a walled hill-top town once little more than a heap of ruins but brought back to life by a Pala-born Barcelona surgeon. In 1948, despite the town's derelict state, he built his own house here and encouraged others to restore the crumbling buildings around the church, castle and clock tower.

Today, most cars are banned from the centre and visitors come to see the golden sandstone buildings, browse in the small shops and admire the view from the ramparts across the flat swampy rice fields below.

Catalunya has a reputation for its gastronomy and at *Alfred's* on the outskirts of Pala, one superb dish followed the next: *esqueixada* - raw salt cod and tiny tomatoes; *escabada* - baked aubergines, peppers, onions, snails and garlic; a black rice *paella* with mushrooms, squid, octopus, prawns, sausage, lamb, chicken.

Duck mousses on toast was fitted in somewhere; and raw ham and dark red broad beans. The meal ended with oranges in a honey and cinnamon sauce - walking was not quite so easy that afternoon.

It was in Alguabla, our next night's stop, that in 1908 a

journalist, after what must have been an equally good lunch, is said to have given the Costa Brava its name - beautiful coast.

And it is beautiful here: dark purple bougainvilleas cling to the whitewashed houses that rise sharply from the water's edge, the rocks are a soft pinky brown, and the small coves, in October at least, are almost deserted. On a pre-breakfast stroll the only sound was the murmur of two fishermen chatting in an already hot sun at the water's edge, and a barking dog.

We had been warned about dogs. "You frequently pass iso-

lated farms and homes protected by the ubiquitous noisy hound," it said in our information pack, adding that carrying a stick was highly advisable because "when raised, it has the effect of sending the creatures quickly back to base". I tried it as we approached a farm in a field of cropped millet and browning sunflowers. The dog did not look too alarmed, but it did amble away.

One night we went to a *Havanera* concert in Palafrugell where men in sailors' gear, accompanied by accordions and guitars, sang songs once sung on 19th century ships

when Spain traded with Cuba.

The first *Cançada* ("Singing of Havaneras") was held in Palafrugell in 1967, which made it the unofficial capital for this kind of music. "The Spanish don't play so many musical instruments," a local man told me, "but they do love singing." In fact the concert organiser, a Catalunan with a drooping moustache and wonderful voice, had given up a high-flying job in Madrid to be able to return to Catalan country and sing.

Alongside the audience, a white-suited man stood behind a long table brewing up *crema* in eight round shallow terra-

cotta bowls. This is a drink of flamed rum, brandy, lemon rind, cinnamon and coffee liqueur. The man stirred the flaming liquid, lifted it high in the air on a spoon, and then let it flow back into the bowls in a stream of blue and gold flames until these gradually died down and the drink was ready.

*La Bisbal* is a town where everyone seems to be involved in producing pottery. At the museum you can see how it was made down the ages. In the streets, you can see the work of today's potters - bowls, cups, mugs and dishes glazed in the traditional red, green and cream colours of the region - spilling out on to the pavements from almost every shop.

In the small select nearby resort of Tamarit, favoured for weekend retreats by the prosperous from Barcelona, we learnt the difference between breakfast and breakfast with knife and fork. (*es banya de Forquins i panivet* in Catalan). The latter included anchovies, slices of ham, cheese and tomato bread.

From Tamarit's sandy beach, we climbed a steep rocky path that led into a forest, the sun glittering on an unbelievably blue sea far below, its blueness broken only by the dot of a red causeway.

When the forest gave way to open country, we walked alongside a ploughed field where pink lilies had seeded themselves, and found what looked like wild strawberries, tasted of apples, but turned out to be wild cherries.

The walk is well marked - you follow a red dot underlined in white - and in travel, which organises it, gives ample instructions. The hotels are family-run with superb food and pretty rooms. At the Hotel Llevant in Llafranc, mine was decorated in cool white and had a small balcony where I could sit and look through a garlanded spreading pine tree, straight out to sea.

Just right at the end of a good day's walk.

**Information:** Angela Wigglesworth travelled with *Ins-travel*, Hovingham, York YO6 4JZ on one of its *Ins-travel* walking holidays. Prices for seven nights (six days walking) range from £46 to £318 for self-drive, from £283 to £588 travelling by air, depending on the season. There are savings of £25 per person for four or more in a car. For more information and a brochure, telephone: 01653-62882.

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## TRAVEL

# Paying homage to the temples of the gods

Amateur antiquarian, Adam Hopkins, is drawn to Sicily and its surviving architectural treasure trove

When Daedalus fled from Crete, after that tricky business between Theseus, Ariadne and the Minotaur, he made his way to southern Sicily to take refuge there with King Kokkalos. It was what happened next which drew me to Sicily this past spring, after many years of wanderings in Crete. For the story tells us that King Minos set out in person in pursuit of Daedalus. He took along a Triton shell, and through its multitudinous spl-

ends he invited all-comers to pass a thread. This was a ruse to discover where Daedalus was hiding since only he would be clever enough to thread the shell.

Which he did, of course. But Minos never gained revenge, for, according to authority, he was "undone in his bath by the daughters of Kokkalos". Leaving only a tomb, although a substantial one, in Sicily, he departed to be ruler of the underworld.

You do not expect to see much evidence for such events - no bath, no tomb, no Triton

shell - but for me at least, as a student of the Minotaur, Sicily has always been next stop, even if my arrival has been a tardy one. For here, when the ancient Greeks arrived to form their earliest colonies, founding in effect a new world in which, one day, Aeschylus, Plato and Empedocles were all to shine, they brought with them much of the Minoan-derived attitude to nature, including the notion of a divinity in every tree and rock and stream.

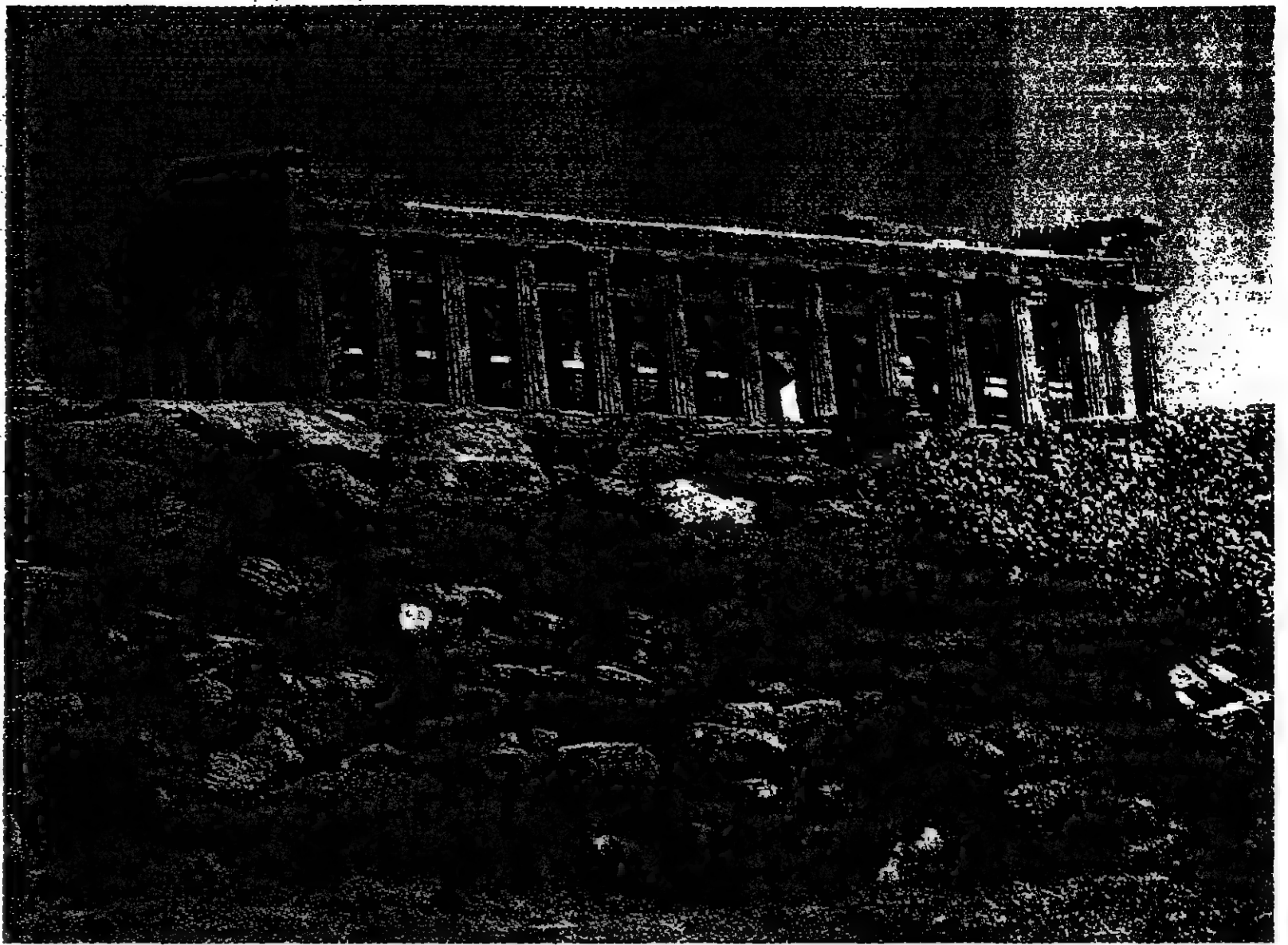
It is the sacred nature of the Sicilian landscape, richer in surviving temples than Greece, which hits the amateur antiquarian between the eyes. For, as is the case with the palaces of Minoan Crete, so the Sicilian temples and their sites appear to endorse an extraordinary rapport between the new arrivals and the landscape they had come to.

Take Segesta, for example, the first Greek temple that I reached as I set out on a near-circuit of the island, starting south-west from Palermo and heading, eventually, for Catania on the east coast.

There stood the temple of Segesta in purest, if considerably heaving countryside - 5th century BC, of Doric simplicity, roofless but still retaining its 14 mighty columns lengthwise and six across, on a tuck of land under a mountain slope, with a deep gorge running almost three quarters of the way around it.

As you climb up above the ancient settlement - pre-Greek in location and with the great temple purposefully distanced from it - you begin to see more clearly how the temple site functions and how neatly it was chosen to achieve its sublime mix of harmony and drama.

Children from local schools were straggling up the hill as



A sight the eye will see and not forget: Agrigento

well, bearing guitars and picnic lunches. Spring flowers blossomed around the temple base and all the way up the hill, which led in turn, as anyone who has read about Segesta will surely know already, just over the summit and down to a smallish Greek theatre tucked into the upper slopes. From there you look clear across the wine-growing countryside of Castellamare, clear to the azure gulf that uses the same name.

Both theatre and temple stand revealed as part of a dazzling collaboration with what was once called Nature. Time, hot on my heels, now forced me to by-pass Selinunte in the deep south-west, and I arrived in Agrigento. There I

caught a first view of the disposition of many temples - one dedicated to Zeus (Jupiter), the largest Greek temple ever built.

Imagine, if you will, a kind of double-stacked landscape. Sea and sea-coast lie at the bottom. Two or three kilometres back from the coast, an escarpment rises, topped by a rocky ridge. Next the land falls away to form a shallow valley, but with a second hill, far higher than the intermediate ridge, rising steeply behind it. Looking from the town, which is on the highest hilltop, all the way down to the sea, the rocky ridge stands in the middle ground. Looking up from the sea, the ridge makes an intermittent horizon. And it was on

the ridge, of course, that the Greeks sited their temples.

It is a sight the eye will see and not forget. In silhouette on the same ridge is the temple of Juno (the most romantic, on its easterly crag), the temple of Concord (astonishingly well-preserved), the temple of Hercules and the vast and ruinous temple of Jupiter. Strangely, guide books tend to use the Latin names. There are also all sorts of lesser temples, tombs and bits and pieces. The landscape and the divine are inseparably intertwined, the power of the city also well advertised.

Time will tell whether the eye forgets the more urban temples, which are mainly in Syracuse, that stunning city of the eastern coast. The ancient

Greeks settled and built first on the island of Ortygia, which hangs like a lobe from the ear of land above. Modern Syracuse hosts a multitude of archaeological sites, a huge theatre which used to enjoy sea views, and a first-rate archaeological museum.

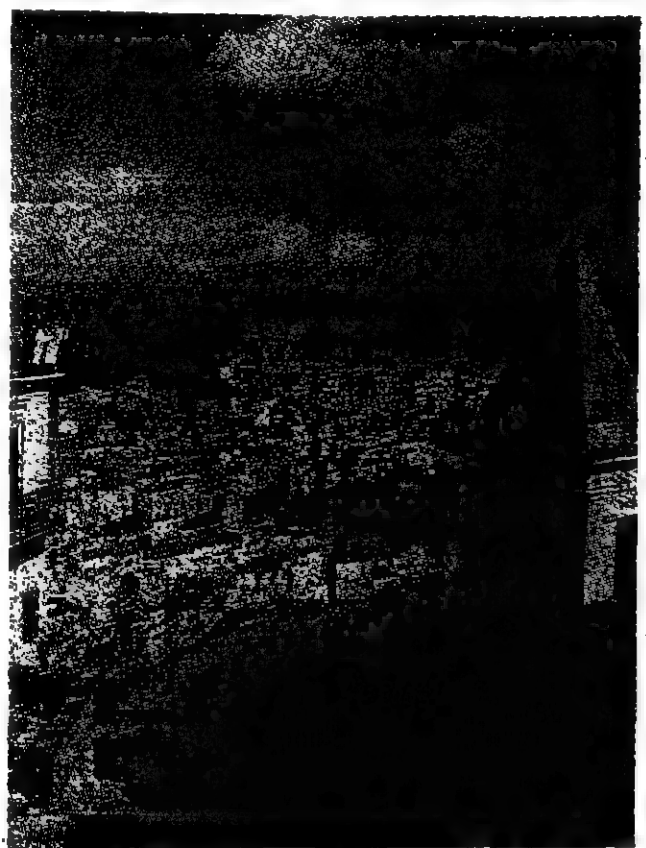
Meanwhile, on Ortygia, the most civilised of urban settings in Sicily and the place where I would make my home if fortune turned me into a Sicilian, the temple of Apollo, unearthed in the 1940s, stands broken and romantic in a pit with the "modern" houses of the old town leaning over it.

Even better is the cathedral in the main square. There, behind an elegant baroque facade, is almost the whole

interior of the Greek temple of Athena. Great Doric columns, bulging like Popeye's muscles, threaten to burst right through the cathedral's outer walls. If the Minoans made their contribution to the Greek achievement in Sicily, then the Greeks have certainly traded onwards to the Christians.

But as for Taormina and its great Greek theatre, with those famous views of Etna, I can tell you nothing at all. Cloud closed in, tight as a fist, and it was time to leave for home.

Adam Hopkins travelled with Clialia, tel: 0181-886 5533. A scheduled flight to Sicily, plus car hire with three nights in Agrigento and four at the Grand Hotel in Syracuse, costs £595 per person.



Sicily, richer in surviving temples than Greece

## Skiing

## Colorado resorts join forces

Arnie Wilson on a union that should benefit skiers in Colorado

Skiers choosing a holiday on Colorado's slopes this winter will find themselves buying a lift ticket from a single company now that Vail has, in effect, purchased Breckenridge and Keystone, its main rivals, in a merger costing an estimated \$310m (£200m).

The move should give skiers access to six different resorts within a 40-mile radius, with an interchangeable lift ticket. The lift systems in Breckenridge and Keystone are also expected to be upgraded, although these benefits are unlikely to be available until the winter of 1997-1998.

The combined ski areas had 5m skiing days between them last winter, more than twice the amount for the entire rival ski state of Utah. The move

tion to developing an extensive new village at Keystone. But in the last week rumours increased that Vail, shortly due to go public, was the most likely buyer.

The move appears to leave Colorado's other principal destination resorts of Aspen, Copper Mountain and Steamboat out in the cold. Relations between Vail and one-time rival resort Aspen may be particularly affected. In recent years the two had come to an amicable arrangement in marketing themselves, at least internationally, as twin centres, with reciprocal lift-ticket arrangements.

Whether this relationship continues remains to be seen.

Copper Mountain, situated between Vail and its old partner, Breckenridge, on Interstate 70 (the skiers' highway from Denver), may now be bypassed - skiers based in Vail, Breckenridge or Keystone visiting the other two may pass by Copper's slopes in the process.

Bernie Welch, president of Ski USA, which markets 50 American ski areas internationally, says: "I'm excited. I believe strongly that a rising tide helps all ships."

will mean that Vail Resorts, the new ski-resort company, will be the largest in the US. Keystone's owners - Ralston Purina of St Louis, Missouri, better known as a dog food and breakfast cereal manufacturer - purchased Breckenridge in 1993, upsetting an alliance between the three Summit County Colorado resorts of Keystone, Breckenridge and Copper Mountain. For many years the resorts had been marketed jointly.

Ralston had revealed that it was seeking a buyer for Keystone and Arapahoe Basins, its satellite, as well as Breckenridge. The most likely purchaser was Intrawest, a Vancouver-based company. Intrawest has been buying or investing in a number of big ski resorts in the US in addi-

tion to developing an extensive new village at Keystone. But in the last week rumours increased that Vail, shortly due to go public, was the most likely buyer.

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Top: Alcatraz. As the song goes "And a rock feels no pain, and an island never dies..." It is now a place of haunting beauty.

Left, from left: four of its most famous inmates - Machine Gun Kelly, Scarface Capone, Robert Stroud, the Birdman, and racketeer Mickey Cohen

Right: inmates and prison correctional officers feature on an audio-cassette tour of the former penal institution.

Photographer: Christopher McCooley

## Alcatraz: lots of rooms with a view

Christopher McCooley follows in the footsteps of some of America's most notorious criminals

The inmates could look out through the iron bars of their own cage, and through that another barred window to one of the finest views in all the free world.

The likes of "Scarface" Capone and "Machine Gun" Kelly could watch as the fingers of fog began to feel their way under the great red bridge through the Golden Gate from the vast Pacific into the Bay.

On cue, the foghorn would moan morosely. Then as the fog wrapped the island chillingly, the city so tantalisingly close, with its bright lights and teasing pleasures, would be shut off as if a curtain had been drawn.

Then the inmates would know that they really were caged - banged up, imprisoned, penned - in the US penitentiary, Alcatraz. Today part of the Golden Gate Park, the 22-acre island attracts nearly 1m visitors a year. It is one of

the most haunting, moody, brooding, beautiful places I have visited.

The approach is made by boat. As the ferry eased against the dock, my nose began to tell me something. The jailed and the sailors may have gone but in their place have come hundreds of birds. Guano pervades the air and streaks the rocks.

The gulls on Alcatraz represent a re-established colony that had been devastated by egg collecting nearly 1½ centuries ago during the Californian Gold Rush. About 600 western gulls - they have yellow bills with a red spot near the tip and pink legs - nest on the ledges of the crumbling prison hillside and the rock cliffs.

Black-crowned night herons also breed here as do Canada's cormorants and seven other species.

You cannot wonder where you like because a number of the buildings are in dangerous

disrepair - the breeding birds seem to know this and happily nest next to the pathways. I was delighted to see Brown Pelicans - some quartering for fish, others perched on rocks. These birds convince me that God has a sense of humour. "A wonderful bird is the pelican, as his bill can hold more than his belly can."

On land they provoke condescending smiles, waddling like clowns with flippers. But once in the air...I watched a squadron of them flying in single file with co-ordinated beats of their wings, their heads tucked back, long bills resting on their necks.

Over fish, they glide and circle without flapping. The plunge produces a spectacular plume of water. On surfacing there is much thrashing. The pouch of their beaks contains up to two gallons of water - this is spewed out sideways and the fish is swallowed in rude gulps.

Then they must get airborne again. The huge wings rise and fall laboriously, the big feet trundle and paddle the water furiously. You think "Fat chance." Suddenly, they are airborne and gracefulness returns.

But Alcatraz is more than a Californian bird sanctuary. After the gold was discovered in 1848, hundreds of thousands of hopefuls headed west, many by ship. The huge San Francisco bay was a natural and safe harbour. But the fogs and currents made the approach difficult.

Alcatraz was a natural site in the middle of the entrance-way for both a fort and a lighthouse. The first light shone out over the bay on June 1 1854. Michael Cassin was the first keeper and earned \$750 a year. His job was to light the lamp each evening, clean the lens, polish the brass. All the lamps with whale oil.

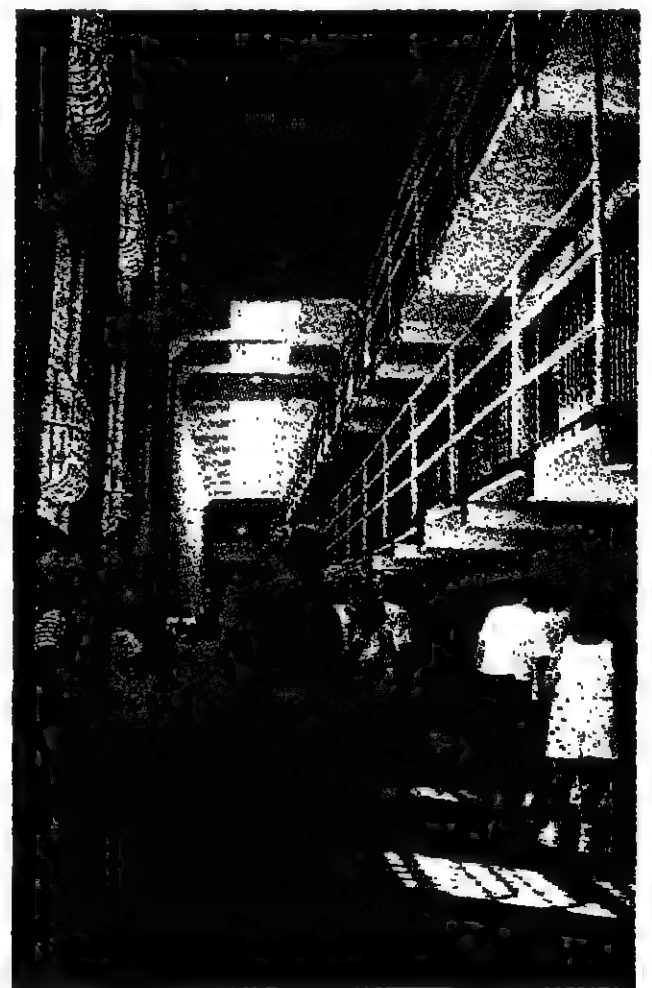
Lighthouse keepers lived on the island with their families until it went automatic in November 1964. Other families who lived there were those of the officers stationed in the military garrison and who, later, guarded the inmates when it became a military prison.

In July 1934 it was made a federal penitentiary at the behest of J Edgar Hoover, the chief of the Federal Bureau of Investigation. Unlike most of the inmates, the prison officers and their families considered Alcatraz a good place to be. Living in apartments in the converted military barracks that overlooked the dock, they enjoyed the spectacular bay scenery and settled into a routine of school and shopping (by boat) in San Francisco and social clubs and special events in the evenings and at weekends on the island.

Many felt safer living on Alcatraz than in San Francisco. They did not have to

worry about traffic, burglaries or violent crime. The high costs of shipping everything to the island, including water - a 300ft well had been drilled but the water was salty - combined with the expense of guarding and feeding the prisoners made its upkeep the most expensive in the nation. Attorney General Robert Kennedy closed Alcatraz on March 21 1963, in effect giving it back to the birds.

Information: Alcatraz is open every day except Christmas and New Year and ferries leave from Pier 41 at Fisherman's Wharf. Allow three hours for the round trip. Advance ticket purchases are essential in the busy summer season. Call (415) 646-7805 for ferry service information and reservations by credit cards. The cost for adults is \$9 and children under 11 \$4.50. An audio-cassette tour is narrated by former inmates and officers.





## BOOKS

**D**id she have a precursor? She did, indeed she did. In point of fact, there might have been no *Lolita* at all had I not loved, one summer, a certain initial girl-child. In a princedom by the sea. Oh when? About as many years before *Lolita* was born as my age was that summer.

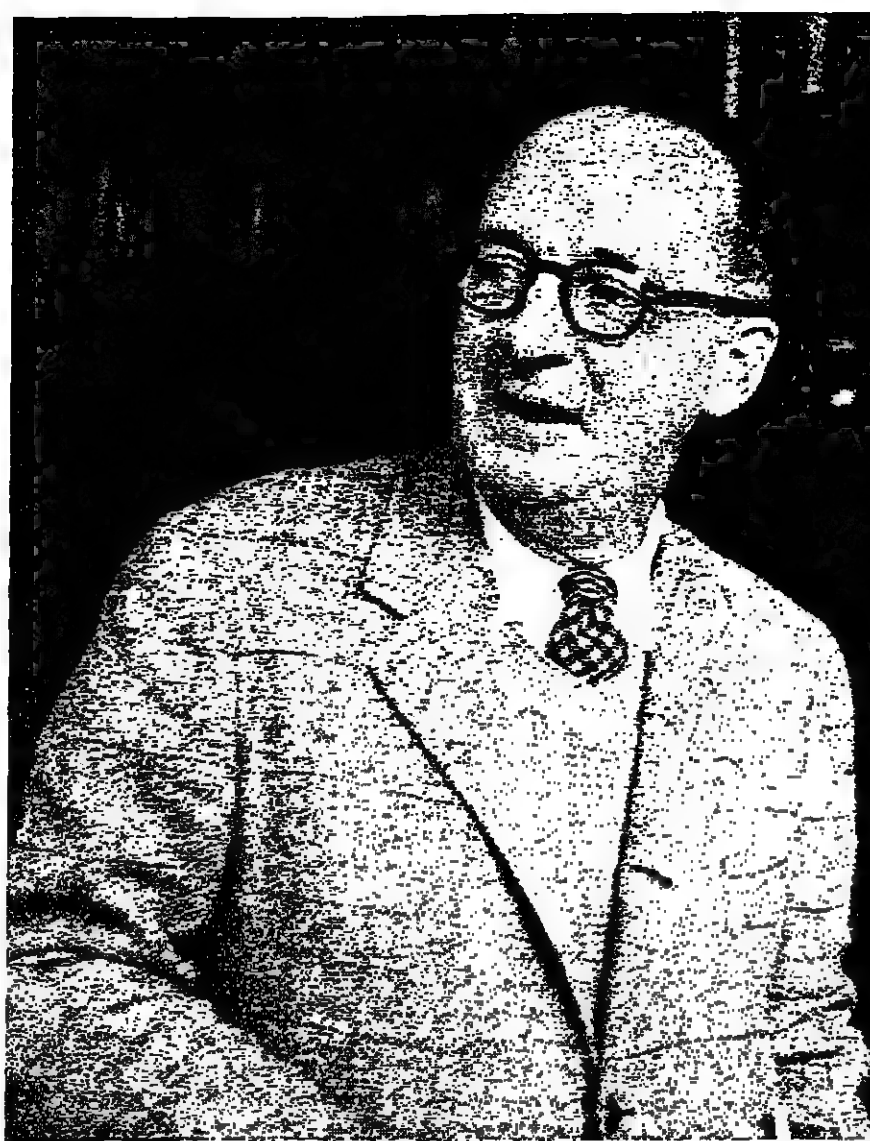
When Nabokov sprang to fame in 1928 with *Lolita*, he appeared to English eyes an instant genius, a fully fledged artist who came with almost no past, no effortful young ventures into print, no struggles to find his own voice. But, in fact, for 30 years before *Lolita*, in exile in Berlin and Paris, then "absolutely penniless" in the US, Nabokov earned his living by writing short stories for Russian émigré journals.

If the great novels of the 1950s and 1960s – *Lolita*, *Invitation to a Beheading*, *Invitation to a Wedding* – have precursors, they are here in this magnificent collected edition, which includes the first English versions of 13 early stories and a chronological arrangement of the whole oeuvre, all translated by Nabokov or his son Dmitri, from 1921 to 1958, when the author took up residence at the Montreux Palace Hotel and devoted himself to novels.

The publication of this book is an important literary event. To discover new work, however minor, by the Russian wizard is like finding a new layer of favourite chocolate in the box you thought you had licked clean. It is a near-genial thrill because Nabokov is our prose-poet of rapture and intoxication. No modern writer approaches the intensity and exhilaration and delicacy of his fiction: nor has any English writer captured with his cruel accuracy, yet compassion, the psychology of the obsessive – his joy and torture, the hallucinatory quality of his inner world, the way an ironic self-awareness cannot save him from destruction.

The places here range from just-beyond-Juvenilia to experiments with the fairy-tale form, dazzling but not deep, to later stories such as *Spring in Fialta* (1938) which rank among the best of Nabokov's work. What is startling is that even the early pages are indelibly stamped with Nabokov's fixations – loss and nostalgia; the power of memory; games and destiny and death; contempt for cruelty; excitement at life's extravagance.

So although this volume helps us see the evolution of Nabokov the craftsman and stylist, one senses that his world view was in essence formed and mature by the time he published his first story in 1921. In *Benfidence* (1924), translated here for the first time, an artist waits for his



No modern writer approaches the intensity, exhilaration and delicacy of Vladimir Nabokov's fiction



More: Richard Titmuss

## Delights of Nabokov

Jackie Wullschlager discovers a collection of 'new work' by the prose-poet of rapture

girlfriend on a blank, windy evening at the Brandenburg Gate. Of course she does not come, but glimpsing a poor old woman on a roadside kiosk, he sees "in the hem of a comically lifted skirt, in the metallic yet tender drone of the wind, in the autumn clouds bloated with rain", that life is not just a struggle but "shimmering bliss, beneficent trepidation, a gift bestowed on us and unprecipitated".

**THE STORIES OF VLADIMIR NABOKOV**  
by Vladimir Nabokov  
Widenfeld & Nicolson £25, 663 pages

America of *Lolita* so evocative also marks the dizzy portraits of Berlin for such tales are classic émigré literature. In *A Russian Beauty* (1934), a lovely girl ages into a drooping exile, makes a disappointing marriage, perishes in six words, "next summer she died in childbirth". This is the foreman-

ner of the many characters who die in throwaway parentheses in the novels.

In *The Razor* (1926), also new here, a Russian barber in Berlin recognises in a customer his former Bolshevik torturer and threatens to slit his neck. That in *Allegro Once* (1943), one of the first works Nabokov wrote in English, is the story of a wartime émigré going mad as he puzzles out whether his wife was unfaithful, whether he left her behind in Marseilles, whether she ever existed.

"Rely upon memory, that long-drawn sunset shadow of one's personal truth," says the narrator of *Spring in Fialta*.

Since 1919, when his aristocratic family left Russia on a freighter loaded with rotting vegetables, Nabokov's imagin-

ation locked into the lost paradise of his childhood, and because the volume shows that from the start his fiction was about keeping faith with the "grassy wonderland" of memory.

An exile meeting an elusive former mistress in a seaside resort in *Spring in Fialta* compresses 15 years of past encounters, fleeting loves, into a few minutes before she dies in a motor crash. From the name of the town – a cross between the Adriatic's Fiume and the Black Sea's Yalta – to the heartless drivers, "salamanders of fate" who escape injury when Nina is killed, everything is heightened, the senses wide open.

"I am fond of Fialta; I am fond of it because I feel in the hollow of those voiceless syllables the sweet dark damp-

ness of the most rumpled of small flowers, and because the all-time name of a lovely Crimean town is echoed by its viola; and also because there is something in the very sound of its humbled Lent that especially anoints one's soul."

Never, wrote his biographer Brian Boyd, "has Nabokov conveyed better the richness mortality bestows on time's incidents, never has he imparted a more vividly haunting personal force to time's designs. No wonder *Spring in Fialta* always remained one of his favourite stories." How wonderful to have such pieces now in context, complete with scholarly notes.

And I can think of no new book this year that I would rather have on the beach.

supported by some strong character parts, including one more egotist, Clara's self-indulgent, scholarly father, and the brilliantly realised pre-adolescent boy, Crossley, who runs – literally – between the four principles.

Crossley is sort of non-mischievous Puck, whose natural, innocent antics contrast with the social conventions of the adult world. In a novel drenched in irony, the final irony (one formally satisfying, too) is that its denouement is precipitated, accidentally, by Crossley.

But the key role is Clara's. *The Egoist* was first published in 1919, in the same year as there appeared another male plea for a woman's independence, one positively destined for the stage, Ibsen's *A Doll's House*. Had Clara become Lady Patterner, we may be sure that she would one day have broken out of the marriage with resounding scandal and lasting emotional damage.

George Meredith's novel may be subtitled a comedy, but its message is a deadly serious one.

and fellow workers starving, dying of disease or being taken away to be killed, but he does not tell us whether the dams (other evidence suggests they did not).

It is tempting for academics, but probably futile, to formulate a detailed political ideology to explain the actions of the Khmer Rouge. As Kiernan shows, the organisation's leaders ended up promoting their own wives, brothers and children to positions of power in the crudest form of nepotism.

Nowadays they live on the Thai border, fighting the Cambodian government and selling logs and gems to capitalists. Few of the statements they made while in power made any sense, even to the extremist Chinese Maoists who supported the regime. Elizabeth Becker, a journalist who has met Pol Pot, endured an hour-long lecture from him in which he said "things that sounded mad". The deeds of the Khmer Rouge were in deadly earnest, but their thoughts were not profound.

Victor Mallet

## Everyone wants to be a hero

A story is told of the last words of Richard Titmuss. The celebrated social scientist was fighting for breath, connected to wires and tubes in a National Health Service hospital, receiving complicated treatment at public expense. He surveyed the scene. "This is a huge waste of resources," he is supposed to have said with some difficulty. "Give me a cigarette. Altruistic, or what?"

The yarn is too good not to be true. Apocryphal it may be, but it reflects the subject's life-work, his conviction that the human spirit is a source of good. Titmuss left us *The Gift Relationship*, an account of the blood donor systems of Britain and the US. In the US blood is paid for; in the UK it is given freely. You get better blood for less money on the eastern side of the Atlantic. The existence of altruism, and its utility, was conclusively demonstrated.

Or was it? *The Gift Relationship* was followed by a revisiting of cost-benefit analysis as a tool for explaining rational behaviour. Market economists have long sought to explain why someone will jump in a river to save a drowning child. Is this the maximisation of self-interest?

It could be. The rescuer may seek the esteem of others, or hope for a reward. He or she may be repaid in "psychic goods", by which economic theory means the alleviation of discomfort at seeing the potential victim in distress. You give money to beggars to make yourself feel better. Or you may hope for a reciprocal favour – if you save someone now, another hero will assist you should the need be yours.

Kristen Renwick Monroe does not deny the partial truth in such hypotheses, but that is as far as she goes. She acknowledges that individual self-interest explains limited charitable donations by successful entrepreneurs – giving to the local sports club – and perhaps even the more broadly based sums dispensed by certain philanthropists.

Me-first stops there. Heroes and heroines do not pause to calculate the possible benefit to themselves. As to people who risked their own lives saving Jews from the Nazis, conventional economic theory has nothing to say.

Not in this book, anyhow. The author interviewed five entrepreneurs, five philanthropists, five heroes identified as such by the Carnegie Fund Commission and five rescuers of Jews during the 1939-45 war.

She has unearthed some dramatic anecdotes.

One concerns Lucille, a grandmother with a heart condition and braces on her leg and back. This heroine stumbled down two flights of stairs to frighten off a 6ft 2in rapist she had seen attacking a young girl. Lucille's life story is punctuated by equivalent manifestations of her concern for her fellow human beings.

Such altruism may be documented, but the motivation behind it is not testable in a laboratory. The author's conclusions are dependent on her subjects' replies. If any rescuer of Jews from the Nazis had a pecuniary motive, as some certainly did, none is acknowledged here. On the contrary, her respondents absolutely denied any such transaction.

In a cynical world this might be regarded with some scepticism. The Monroe approach seems to be to take answers at their face value. The motivations of the newly rich donors to local good causes are trans-

**THE HEART OF ALTRUISM**  
by Kristen Renwick Monroe

Princeton University Press £22.95, 242 pages

parent. The bravery of the individual who risks the lives of self and family for a stranger presents a mystery. At this extreme end of the author's scale there does seem to be something economic analysis cannot explain.

Evolutionary biology will not quite do either. Monroe analyses away most Darwinian arguments. She questions theories based solely or excessively on self-interest. In her view altruists behave as they do because of the way they regard themselves and the world. They typically account for their courageous actions by saying something like "it was another person in trouble – I had no choice". Lucille says, "I believe that I'm dedicated to humanity in my heart".

This is what the author calls the "altruistic perspective". Religion, philosophy and possibly psychology are more likely to explain such an abstract phenomenon than physical or social science. Her methodology cannot compute, but that is no reason to deride her thesis. In this century of horrors we may be sure that evil exists. Why not good?

Joe Rogaly

## Challenging stereotypes

Few organisations have loomed so prominently over the history of world religion as the Society of Jesus, most commonly known as the Jesuits.

"Give me a child at seven and he is mine for life," is the old dictum of this order of educationalists, missionaries, intellectuals and politicians, that since its foundation in 1534 by Ignatius of Loyola has grown into a worldwide organisation of 25,000 members and countless sympathisers.

Former "children" include Fidel Castro, Bill Clinton, Voltaire, Arthur Conan Doyle and Alfred Hitchcock. The late film-maker claimed that the Jesuits, with their tantalising mix of internal discipline and militancy, taught him the meaning of fear.

Since its foundation, the Jesuit order has made as many enemies as friends. Although it is vows of poverty, chastity and obedience (including subservience to the Pope) that are supposed to mould the order, the Jesuits have in practice followed the Ignatian principle of being "all things to all men", leaving it up to conscience or Jesuitical "discernment" to decide the rights or wrongs of individual actions.

A former foreign editor of *Le Monde* and author of an impressive biography of de Gaulle, Jean Lacouture is interested in the Jesuits primarily as an intellectual and political movement that has straddled the world at key moments in history.

It is unfortunate that the English translation does not include even a reference to one of the great English poets of the 20th century, Gerald Manley Hopkins, but there is much material here of interest to Roman Catholic and non-Roman Catholic alike.

Lacouture challenges the "Black Legend" stereotype of

the Jesuits as a bunch of regimented fanatics and machievellian meddlers. Instead he gives a well-researched account of a complex order that from its foundation has drawn strength and vulnerability from an inherent aspiration to identify and reach out to universal man. As the author puts it, "paradox has been seen time and again at the very heart of the Jesuit enterprise".

Jesuits continue to teach the sons of the rich, as they always have. They have also taught

**JESUITS: A MULTIBIOGRAPHY**  
by Jean Lacouture,  
translated by Jeremy Leggatt

Harvill £25, 550 pages

the sons of the poor, burnt draft cards and embraced liberation theology, and some have been martyred by death squads.

Pope John Paul II is uncertain of their loyalties, troubled by the Jesuits' refusal to be constrained by dogmatism. Lacouture's sympathies clearly lie less with the Vatican than with the "most Jesuit Jesuit in centuries", the late French priest, traveller and man of science, Teilhard de Chardin. It was Chardin who dared venture further than many former heretics by declaring the possibility of a "God in evolution".

Jimmy Burns

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Rereadings / Michael Levey

## The allure of a group of egoists

of constantly delighting in his own wit and cleverness, as well as in that of his characters. He expects his readers to be at their brightest when reading him. Flattering as the assumption is, it can also prove irritating and even exhausting.

There are notable rewards for persisting with Meredith. As a Victorian novelist, he is unusual, if not unique, in conceiving of a novel as having formal shape. And then he combines stylish, elegant use of language with a sharply unsentimental view of human nature. He prefers to create people who are unashamedly intelligent and articulate.

Not only was he almost dauntingly prolific but his

oeuvre is excitingly varied. *The Order of Richard Feverel* is invested with a poignant lyricism. There is a proto-Shavian tone to *Beauchamp's Career*. Meredith's most famous, perhaps most complex novel remains *The Egoist*, and it is the one to which I instinctively return.

Central to its attraction is its enchanting, high-spirited heroine Clara Middleton, a motherless girl struggling for most of the book to free herself from a too-hasty engagement. Out of so simple-sounding a plot, Meredith spins an intricate, glittering, beautifully designed web, involving two women and two men, including Clara's fiancé, the egoist of the title, Sir Willoughby Patterner.

Although in rereading you know that Clara's struggles will eventually succeed, there is no lack of tautness in retracing their twists and turns. On the contrary. Fresh pleasure comes from further acquaintance with her and them, just as happens with Emma Woodhouse and Anna Karenina.

In fact, *The Egoist* requires several rereadings for its full subtlety to become plain. The book is not about just one egoist, the skillfully anatomised yet by no means merely monstrous Sir Willoughby, embodied though he is of essentially masculine vanity.

All four chief personages have their own demanding desires. How each is to be grat-



ified, to some extent, is part of the story. When that resolution is reached, the author – in his own metaphor – rings down the curtain, suitably on a novel described on its title-page as "A Comedy in Narrative".

To a notable extent, the whole book can be seen as a play. It has effectively a single set, Sir Willoughby's seat of Patterner Hall. The action is carried forward largely by dialogue, and the central quartet of lovers, or would-be lovers, is

## Madness in Cambodia

**T**he Cambodian holocaust under Pol Pot had a numbing effect on the survivors. So horrifying did the arbitrary murders and the hunger in the later years of Khmer Rouge rule that Yusuf, a Cambodian Cham Moslem trader, was able to describe 1976, the first full year of Khmer Rouge control, as a time of "normal killings". This involved only "small numbers of people taken away".

He was one of the 500 Cambodians interviewed by Ben Kiernan in this detailed study of the Khmer Rouge revolution and how it devoured itself in less than four years. The shadowy *Angkar* (the organisation) under the leadership of Brother Number One – as Pol Pot was known – was responsible for the deaths of more than 1.5m Cambodians, a fifth of the population.

But it is not only the survivors who seem to have had their faculties deadened by contact with what happened between 1975 and 1979. Kiernan falls easily into the jargon of the Khmer Rouge years as he relates the chilling anecdotes

of the eyewitnesses he meets. Phrases such as "new people" (the tag given to city dwellers and those with skills and education who were particularly persecuted by the Khmer Rouge) and "base people" (peasants) quickly lose their inverted commas. Yet these were meaningless constructs used by the Khmer Rouge: many townspeople were peasants who had migrated from the countryside; and many peasants therefore had relatives in the towns.

Using Khmer Rouge documents and the accounts of survivors, Kiernan attempts to find the makings of a coherent ideology to explain the actions of Pol Pot and his followers. His principal thesis is that the Khmer Rouge regarded Khmer racial purity as more important than the class struggle, a line of inquiry he says has been neglected.

It is true that the Cham Moslems (who were often forced to deny their religion by eating pork on pain of death), the ethnic Chinese, and people of Viet-

namese origin were persecuted and frequently massacred. But the same was true of the Khmers themselves, as Kiernan's interviews make clear. Moslem leaders were humiliated and killed; Buddhist monks were defrocked and

**THE POL POT REGIME: RACE, POWER AND GENOCIDE IN CAMBODIA UNDER THE KHMER ROUGE, 1975-79**  
by Ben Kiernan  
Yale University Press £25, 512 pages

murdered too. And one of the most intriguing discoveries Kiernan makes is that many Khmers who came from the eastern side of the country (and who were therefore suspected of being sympathetic to Khmer Rouge dissidents and to Vietnam) were given blue clothing by the *Angkar* towards the end of the regime; few realised it at the time, but this singled them out for perse-

cution and death.

The fact is that Khmer Rouge leaders were ignorant and confused, and their muddled policies were often implemented by 14-year-old, uneducated peasants who made cruelty a substitute for government. These were paranoid revolutionaries who murdered thousands of their own supporters and would find any excuse to kill those they suspected of being their enemies.

At the height of the cold war, they accused people of spying for both the Soviet Union and the US Central Intelligence Agency simultaneously; they attacked their Vietnamese allies, who therefore retaliated and eventually overthrew the Khmer Rouge in 1979; they denuded the countryside of wildlife to sell tiger bones, deer-horn and pangolin scales to China at low prices for use in Chinese medicines; and they enslaved their citizens to build vast irrigation projects.

Many of Kiernan's interviewees helped to build earth dams and watched their relatives

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صوتنا من الامم



## Edinburgh Festival Fringe benefits and other pleasures

Antony Thorncroft finds there is something for everyone at this year's ever-growing event.

**T**he attraction of Edinburgh in August is that, however humble and insignificant your visit, you somehow feel that you are a vital part of the show.

And, of course, you are. Never have so many performers gathered together - more than 9,000 on the Fringe alone - to play hunt the audience.

You will be propositioned in the streets by teenagers dressed as Madeleine, entreating you to tramp out to Morningside to see Cuckoo's Nest. Or you may find yourself the sole audience in an upstairs room of an abandoned Baptist chapel being the straight man for Volvo, the Swedish comic mime. There will be no escape from a dozen Peruvian strolling bands, 100 pavement beggars and 1,000 handbill distributors. Whatever the participants on the Fringe lack in artistic talent, they make up for in promotional exuberance.

Edinburgh, undeniably beautiful but dull, cold, and calm for most of the year, briefly becomes *en fête* for 24 hours of the day - for even at 3am the bars, clubs and some Fringe venues are heaving, and Arthur Smith can be found leading a drunken struggle on one of his celebrated nocturnal hikes. It can still be cold, but it's never dull.

Then there is the festival, or rather festivals, for as well as the international festival, celebrating its 50th anniversary this year, there are autonomous celebrations of film and jazz, while later in the month all the television bigwigs come to town for an orgy of argument and conspicuous consumption. And every other year, although not in 1996, there is a book festival.

For most outsiders, Edinburgh in August is the international festival, which this year is the biggest and most adventurous yet. But then it always is. However, taking advantage of its golden jubilee, it has pulled out more paws than usual, and is investing \$5.5m in a programme which ranges from Gluck's *Orfeo*, choreographed by Mark Morris, to 18 of Robert's string quartets, to 18 of Robert's string quartets, to 18 of Robert's string quartets, to 18 of Robert's string quartets.

Yet the odd thing is you can go to Edinburgh in August and scarcely be aware of the main festival. With the population of the city temporarily doubling to more than 500,000, the streets are so packed with performers, artists and eccentrics, that chancers and homeless Fringe improvisers, and so decorated with a main reinforcement of posters promoting Fringe events, that the festival proper tends to become lost in the mass, the preserve of its loyal habi-

tees, many of them local Scots, invariably middle class, often middle-aged, and all hopelessly committed arts groupies.

By 1996 the festival will have its own, lottery financed, permanent headquarters at the Tolbooth, a vast converted 19th century church on the Royal Mile. Until then you must try your luck over tickets at the Market Street box office. This year sales are already 16 per cent ahead of 1995 and more than 80 per cent of the seats available will have been sold before the festival opens on August 11.

But do not despair. There will always be availability for some events, and taking a flier on Schoenberg's *Gurrelieder*, or the in-depth investigation of Scottish fiddle music, may be your best bet over the Fringe. Don't turn up expecting to get into the opening concert - a re-creation of the first festival in 1946, with Schoenberg's *A Survivor from Warsaw* and Beethoven's Third Symphony - or the *Orfeo* they have long sold out. Director Brian McMaster has, however, stamped his high standards so firmly on Edinburgh that anything he has programmed should be worth taking in.

Obviously eye-catching is a second Gluck opera, *Iphigenia auf Tauris*, which will be given the treatment by another modern dance troupe, Pina Bausch, while anyone seriously interested in theatre must see a rare revival of *Four Seasons in Three Acts* by Virgil Thomson to a libretto by Gertrude Stein, which was so successful when it was premiered in 1934 that it enjoyed a run on Broadway.

Other highlights are Peter Stein's production of *Uncle Vanya*; Miranda Richardson taking the lead in Robert Wilson's version of Virginia Woolf's *Orlando*; and John McGrath's reworking of the most famous, and earliest, Scots play, by David Lindsay, now called *A Sinner of the Four Estates*, which will run at the grand new venue, the International Conference Centre, which has opened in Leith Road.

There have been the inevitable cancellations - illness has scuppered Neil Bartlett's *The Seven Sins*, based on Poussin's paintings, and Sir Charles Mackerras has withdrawn from the final night concert, of Mendelssohn's *Elijah*, to be replaced by Paul Daniel. The Orlando Quartet, down to string out the Haydn, has disbanded, but its programme will be undertaken by other strong combos.

Everyone in Edinburgh in August should try to take in one mainstream festival event. Apart from the high standard of performance, the venues, from the spanking new Festival Theatre, to the cavernous Playhouse, from the Edwardian King's Theatre to the Victorian Usher Hall, all have a sense of place



and help ensure a memorable occasion.

But most visitors have their eyes on less exalted musical nourishment - they are there for the Tattler, performed near the castle, or for the Fringe. In 1946, there were eight companies on the Fringe; this year there are more than 1,200. It is perhaps the best example in the arts of the virtues, and vices, of a free market.

There is no quality control: the directors of the Fringe just offer guidance to participants from all over the world, who will stage more than 14,000 performances in 187 venues. Over the decades the Edinburgh Fringe has given the vital first impulses to the careers of many great talents - from Tom Stoppard to Richard Eyre, from Victoria Wood to Royan Atkinson, from Billy Connolly to Robin Williams.

Its importance has recently grown more far reaching, having established itself as the biggest comedy festival in the world. Many of the TV executives up for their junket will justify their expenses by trawling the leading Fringe venues for the newest comic talents.

The explosion in irrelevant television comedy, the new wave like Herring and Lee, which has sent old stages like Cannon & Ball into oblivion, was triggered in Edinburgh. To win the Perrier Award for the best comedy act on the Fringe, which in recent years has gone to Sean Hughes, Frank Skinner and Jenny Eclair, leads inexorably to a TV contract.

The involvement of Big Business

has unsettled the glorious anarchy of the Fringe but has not overwhelmed it - yet. There are now three dominating Fringe venues: the Assembly Rooms, the Guild Ballroom and the Pleasance, which have created a structured and highly capitalised network.

You must be able to offer high guarantees to command performance space in these warren-like

**The involvement of Big Business has unsettled the glorious anarchy of the Fringe but has not overwhelmed it**

buildings, and they tend to be used by established acts trying out new material before capacity audiences. Going for safety, and numbers, is against the free-wheeling spirit of the Fringe but it does ensure that anyone visiting Edinburgh can play safe, and avoid wasting their ticket money on pitiful shows.

But it would be nice if some of the crowds queuing to see their favourites at these smoothly managed venues sometimes took the trouble to venture to see the unknown in the out-of-the-way.

If the upper reaches of comedy on

the Fringe have the fingers of London agents all over them - this year popular names like Jo Brand, Lee Evans, Sean Hughes, Jenny Eclair and Arthur Smith will all be doing Edinburgh, yet again - it is still possible, thanks to the spread of media attention and competitive awards like the Perrier, the Open Mike, and So You Think You're Funny, for a complete unknown to make the str through quickly becomes an earthquake.

Ask Harry Hill, who did the trick two years ago, and Tim Vine, who was a "who's" in August 1995 and is now a television veteran. It is always shrewd to pursue the latest buzz, to follow up The Scotsman's weekly selections, and to pay at least one visit to the open comedy sessions that dot the programme.

There is some apprehension about the dominance of comedy over the Fringe audience, to say nothing about the ticket prices - up to £10 - charged by the bigger venues. But the organisers of the Fringe can do little to draw attention to the strong drama programme this year: more than 500 theatre productions are on offer, and over half these shows will be premieres. Some of the Fringe venues, like the Traverse, are as professional as the Royal National Theatre, but there is a certain charm in checking out the performances of Celtic music in the three-storey car park in Old Fishmarket Close.

This year the National Theatre is actually appearing on the Fringe. Its Studio presenting Patrick Marber's *Dealer's Choice*. More to the

point, many of its star backroom staff, like designer Alison Chitty, and actors like Fiona Shaw, will be taking workshops at the Fringe Club for tyros. The National's director, Richard Eyre, will also be there, tracking down new talent.

In the recent past the Fringe has not provided the theatrical breakthroughs enjoyed by comedians. But last year *Trainspotting*, the play, started here, and Fringe director Hilary Strong is keen for the Fringe to provide the missing experience for young actors between drama school and fame, a gap provided in the past by rep or Theatre-in-Education.

It is too easy to overlook the internationalism of Edinburgh in August. The fall of the Berlin Wall brought a flood of liberated eastern European performers, and this year there are quick return visits from the Georgian Film Actors Studio and Teatr Shuro Podrozy of Poland, as well as new work by home-based companies Red Shift, The Wrestling School and Communicado.

There are six *Macbeths* (including a version by that venerable enfant terrible Richard de Marco at Ravenscraig Castle) and a multi-media *Hamlet* with music from the Smiths. There is Clare Grogan in *Lady Macbeth*, *Prigme My Buttocks* and a 90-minute version of *The Bible*. There is *The X-Files* star Jerry Hardin doing Mark Twain and a stage version of *Reservoir Dogs*. There are school kids having fun, students being pretentious, and old hopefuls having one last try. There will be a lot of rubbish and some gems.

The missing ingredient from Edinburgh in recent years has been a strong show of visual art. The festival still eschews this sector, but as well as more than 50 commercial gallery displays there is a highly praised exhibition of the work of Alberto Giacometti at the Gallery of Modern Art while the National Gallery of Scotland on the Mound has "Velazquez in Seville".

The Mound becomes the official day-time focus of Edinburgh in August (the club bar at the Assembly Rooms takes the strain at night). Here the stunt man and the bookers entertain the mass of visitors, and craft stalls conduct their business to the sound of the bagpipes and the Andean flute. There is nothing elitist about the city. Indeed, it sometimes seems irredeemably vulgar.

But within a few hundred yards of this holidaying mass the Orchestra of the Eighteenth Century will be playing Rameau and Bryn Terfel will be singing Schubert; Ardal O'Hanlon, star of *Father Ted*, will be bantering away and Jimmy Crichton will be continuing the recent obsession of older comedians with the Fringe; there will be Broadway musicals revived and late-night cabaret buried; there will be circuses and a Scottish Riverdance. There will be everything you need for diversion, and much you can do without.

It is impossible to be in Edinburgh in August and not catch the buzz. And the odds are that the buzz will come from a totally unpredictable source.

## Cash-rich but bankrupt

The tickets may sell out but Bayreuth lacks ideas and vitality, says Andrew Clark

**T**he coffers are full. The Bayreuth festival could sell 10 times more tickets than it has at its disposal. The Festspielhaus, newly restored and painted, has never been in better condition. And the audience at last week's opening night was a roll-call of the rich and powerful, headed by the German president and Bavarian state premier.

They had come to see *Die Meistersinger von Nürnberg*, in a staging by Wolfgang Wagner which reflects the current state of the festival. Wolfgang portrays Nuremberg as a harmless community in which Beckmesser and Sachs embrace at the final curtain: all is banal that ends banal.

Naive in intention, dull in execution, the production tells us nothing new about *Meistersinger*. As long as the stage is full and colourful, the composer's 76-year old grandson is satisfied.

Scratch beneath the surface of *Meistersinger* and there is more to grandpa's story than a utopia of art and life. As several productions have recently demonstrated, the warm humanity and extrovert nationalism of *Meistersinger* hide a darker world of irony, conflict and ideological assertion. But do not expect to see this at Bayreuth. Wolfgang has been working on

Wagner, and Wagner alone, for so many years that the world at large appears to have escaped him. Even on the most basic level of design and choreography, his new *Meistersinger* is not a patch on his 1981 production. He has run out of ideas - if ever he had them in the first place.

The coffers may be full, but the Bayreuth festival is bankrupt. It has no ideas, no sense of renewal, no artistic vitality. Its current *Ring* is more of a fashion show than a music drama, its *Parsifal* a pale copy of the past. *Tristan und Isolde* alone has something to say - but its producer, Heiner Müller, died earlier this year. Next summer there will be no new production. Wasn't Bayreuth supposed to be at the forefront of Wagner interpretation?

The best that can be said about the new *Meistersinger* is that it is gratefully sung and played. All the principals are new to their roles, and in the case of Robert Holl's Sachs and Renée Fleming's Eva, new to Wagner. Holl is more of a Lieder singer than a Heldentenor, which means he brings a rounded cantabile to the Flieder monologue but lacks the stamina for the finale. He presents a grave, patriarchal figure, who does little but stand or sit. Fleming's Eva, in an eye-catching variety of early summer dresses

designed by Jorge Jara, is desirable, natural and wholesome, and sings gorgeously.

Peter Seifert's *Stolking* is the production's other big success. Tall and commanding, with a voice that combines the lyrical and the dramatic, he has the unique distinction of making the prize song sound easy.

Andreas Schmidt's Beckmesser is

**After 30 years in command, the time has surely come for Wolfgang to retire**

also handsomely sung - but the production turns him into a bland, bourgeois bore, with me a whiff of comedy or caricature.

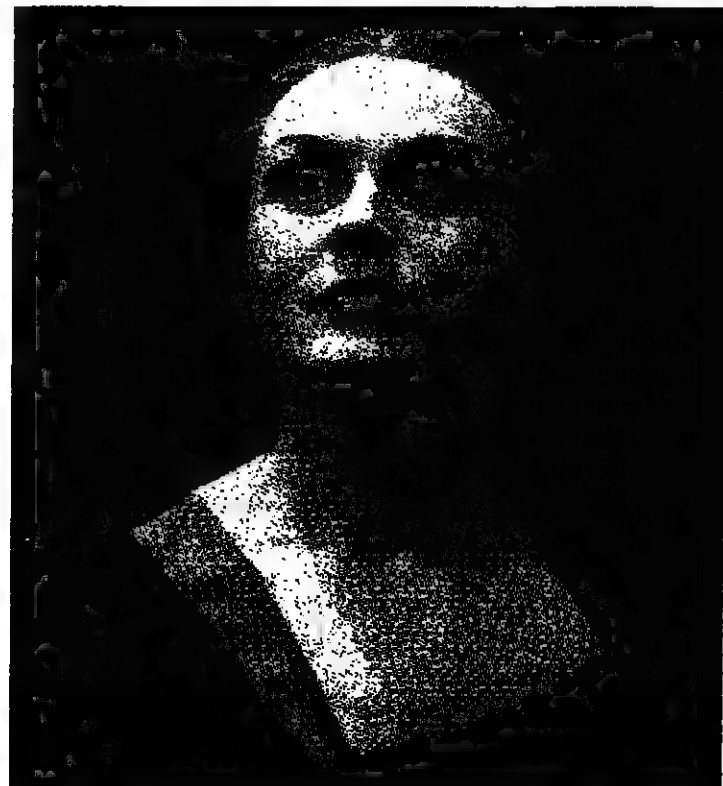
The performance unfolds in front of a vast reflecting pool, patterned like the convex face of a globe, on to which are imposed fresco-like illustrations of a Madonna in Act 1, Nuremberg's roof-tops in Act 2 and the foliage of the meadow in the finale. It is superficially impressive, but like Sachs's bare white study, it is also dramatically sterile. The

action is cramped by blocks of brutalised architecture, and the Act 2 riot is a non-event.

Of stage direction there is little sign - unless you count the master-singers' procession in Act 3, which has them perversely moving from front-of-stage to back.

But Wolfgang is crafty enough to have Daniel Barenboim as conductor. This was Barenboim's first *Meistersinger*, and it sounded as if he had lived with the score all his life. Tempi were brisk and well-integrated, the textures transparent; climaxes were developed out of long string lines but despatched without bombast. This was a softer, more subtly differentiated Wagner than we usually hear from Barenboim.

If there were any doubts about Barenboim's pre-eminence among Wagner conductors today, they were banished by *Tristan und Isolde*. Barely 24 hours after his *Meistersinger* marathon, he was back in the pit, inspiring the festival orchestra to play with the utmost abandon - without sacrificing quality of articulation or drowning the singers. As in *Meistersinger*, there was a sense of organic development, of an unbroken arc extending from the opening bars to the close. This puts Barenboim in the finest company, and I do not expect to hear such incandescent playing



Saving grace: a rapturous performance by Waltraud Meier as Isolde at Bayreuth

or conducting in *Tristan* for a long time.

I can imagine it better sung, but that is only because Siegfried Jerusalem's *Tristan* had a vocal ailment (announced before the start) and was reduced to miming the final act

while Wolfgang Schmidt sang offstage. Even that paled into insignificance beside Waltraud Meier's rapturous Isolde. Since she first tackled it in 1993, when this production was new, the voice has grown into the part. The upper reaches are now

comfortably supported, the laser-like penetration as stunning as ever.

Meier's Isolde is slimline, independent, feminine - very much a modern creation. Bayreuth audiences are often ecstatic in their applause, but the spontaneous standing ovation which greeted Meier's first curtain call was exceptional. She is the festival's undisputed queen.

Despite its inconsistencies, particularly in Act 3, Müller's staging has earned the status of a Bayreuth classic. It sweeps away the dust of inherited performance tradition, adopts a cool, sceptical approach to the work's passions and forces the audience to think. In the long central love scene, Tristan and Isolde barely touch; after her *Liebestod*, Isolde fails to expire. The entire performance is shrouded in symbols of a physical, social and moral order that prevent the lovers from achieving the ultimate union. Wagner may evoke the utopia of ideal love, Müller seems to be saying, but *Tristan* shows it is unattainable.

Where does Bayreuth go from here? At the moment it is going nowhere pretty fast. After 30 years in sole command, during which he has put the festival on a sound financial footing, the time has surely come for Wolfgang to retire. It is also time the German establishment - including the Bayreuth mayor, Dieter Mronz - stopped being so deferential to him. But like all other absolute rulers, giving up power is the last thing on Wolfgang's mind.



## ARTS

# Quirky works set the scene

The Whitechapel Open is sparkling with confidence, writes Lynn MacRitchie

Perhaps the trickle-down effect really does work - in the art world, at least. In a year when British art has had possibly its greatest international recognition since Pop Art swung in the 1960s, the Whitechapel Open, that biennial free-for-all for London's huge East End art community, positively sparkles.

The work, selected from an open submission of around 5,000 pieces, is varied, competent and confident, the mood upbeat. For once, London's art community, mostly given to moaning and gloomy self-deprecation, seems to be set on enjoying its moment in the sun.

Much of the credit must go to the selectors, three from the Whitechapel staff and the curators of the Commercial Gallery, Delina Studios, the Showroom and London Electronic Arts, all of whom were invited to choose works from the initial selection in accordance with the policies of their own venues.

At the Whitechapel, the selectors explained, the aim was to choose the very best show while still offering a fair representation of the range of work submitted. Thus the selection includes prints, drawings and three-dimensional works as well as painting and mixed media pieces. For once, the heart does not sink at the sight of a variegated conglomeration of work, an exhibition technique usually guaranteed to show everything at its worst.

One of the strongest characteristics of British art, and one in which it shows itself particularly in time with the times, is its idiosyncrasy. Younger artists established on the international scene such as Damien Hirst, Mark Wallinger or Georgina Starr have very particular styles. Each has developed a visual language to explore their own obsessions, supportive of but not dependent on the work of their peers.

The most successful artists in the Whitechapel selection show a similar determined quirkiness. Andrew Mansfield paints strange animals with gleaming eyes, manifesting like ghosts from delicate washes of paint. Marielle Neudecker creates miniature worlds in glass boxes full of disaster and foreboding where tiny ships run on to rocks in the fog and minuscule nature lovers huddle near their camp fire as night closes in. Mark Hosking takes a weird and wonderful orange and white glass lamp and photographs it in odd locations, deserted church halls for example, leaving one to wonder about its strange adventures.

These three are winners of the Monart prize awarded for the first time this year to mark the art moving company's 25th anniversary, and they have several pieces on show. In an exhibition whose participants prize its open entry above all, this seems a tactful way of showcasing particularly interesting work without compromising the ideal of access.

To say that individualism is prized is not to deny influence: as in any exhibition made up mostly of the work of artists not yet firmly established in their own careers, the work of those already successful is an inevitable presence.

Mark Wallinger hovers over Masakatsu Kondo's "Side Saddle Horse", a monochrome painting of a lady so mounted; Glen Brown over Jennet Thomas's "Gainsborough's Other Sisters", a Gainsborough copy with its original beautiful faces melting into grotesquery; Damien Hirst and Fischli and Weiss (at present occupying the Serpentine Gallery) over Jason Davidge's "Out of Focus", a shabby wall cupboard with anonymous contents. To play spot the influence is not necessarily to denigrate derivative work; it can be an opportunity to identify which artists think are making the



Idiosyncrasy: 'Paradise Park' (1990-94) by Catharine Ward at the Whitechapel Art Gallery

most significant work of the moment.

Areas of common interest emerge, such as miniaturisation (tiny animals, houses, tents), the use of found furniture, and objects in unlikely juxtaposition (a bar of soap atop a column of dried apricots fixed to a shabby table, for example). And there is plenty of straightforward painting and skilful drawing to relieve those who so often predict their demise.

But why rely on the word of a critic? The Whitechapel has given

the artists a chance to speak for themselves, in short video presentations. This is fascinating, a sort of Video Nation of art, with the explanations of the work as varied as the appearance of the artists themselves, suddenly identified as recognisable individuals. Some are loquacious, some reserved, some frankly incoherent. Who could have guessed that a large yellow and blue abstract was really about angels and devils, or that another rather garish painting in Day-Glo colours was striving to represent a

place where we could all escape from the cares of the world? Whoever would have thought it...

Around the other venues, Delina in Bermondsey shows a well-selected group, including good work by Steve Johnson and Claire Robbins. The Commercial Gallery shows larger scale work and site specific installations at Commercial Too. The Showroom has a one-person show by Andrew Mount, and London Electronic Arts has a selection of video pieces.

Artists in the multifarious studio

complexes which spread all over the East End are opening their studios on weekends throughout the summer. Full details and a handy map may be picked up at the Whitechapel. And last but not least, the curating organisation Rear Window, also invited to participate, is presenting an installation by Jacqueline Pennell in the basement carpark of a studio complex in Hoxton which is an object lesson in cool, intelligent minimalism. Altogether, a very good year for the Open: see it while the moment, and the weather, lasts.

The Open, July 19 - September 15. Venues: Whitechapel Art Gallery, Whitechapel High Street, E1; The Commercial Gallery, 169 Commercial Street, E1; Delina, 59 Bermondsey Street, SE1; London Electronic Arts, Last Orders, Unit 11, 134 Curtain Rd, EC2; The Showroom, 44 Bonner Rd E8; Rear Window, Sara Lane Workshops, Stanway St, N1.

Full details of all venues and open studios, including studio bus tours, from the Whitechapel Gallery, tel: 0171-522 7888.

## Television / Christopher Dunkley

# Long, hard look at life extension

Every now and then, about once a decade actually, a television programme comes along which you know, even as you watch, will radically alter the way that you perceive the world. For me these programmes have included the first comprehensive and comprehensible explanation of the significance of the microchip, screened at about the time the first digital wrist watches and pocket calculators were appearing; the first coherent account of genetic engineering.

On Monday BBC2 will show another programme in this rare category. Like those previous examples, *Life Without End* does not spring a brand new subject on an unsuspecting world but, like them, it suddenly makes sense of what had formerly seemed to be a

mixture of hype and fantasy.

For some reason this is not the first but the third programme in a BBC2 season called "Coming Of Age", which begins tomorrow night. The season has been prompted by the rapid change in the ratio between old and young in industrialised nations, but it might have been logical to begin with *Life Without End* since this is the programme which seeks to explain what is really happening in the science of life extension.

Producer Chris Spencer provides a survey of the various approaches being made - prac-

tically all in the US - from the laughable ("Life Extension Shampoo") via the highly questionable (monkey glands for a previous generation, magic potions today) to the scientists who are talking about human lifespans of 200, 400, or even 600 years.

It seems that 600 is about the optimum age in a world where disease has been virtually eliminated and the main causes of death are accident, murder and suicide. Some scientists are saying that the accelerated extension of age to well over 100 years is not some futuristic marvel, but a practical possi-

bility within the lifetime of those at present approaching middle-age. "Surf the age wave and stay alive indefinitely."

For the viewer the difficulty is in knowing how much credence to give the scientists consulted. Most seem perfectly serious and sober but which of us has the expertise to pick out the plausible natter from those with real probability? It is one of those occasions when you would be grateful for the guidance of a Bronowski or a Popper (John Maddox, perhaps, now that he has retired from editing "Nature").

The most intriguing section

of the programme deals with an experiment being run by Roy Walford, in which mice are starved of calories but given all the vitamins and nutrients necessary to survive. Though much thinner than mice allowed to eat all they want, they live twice as long.

Walford, who says, "Ageing is a biological process we can bring under control", is now 10 per cent below his own prescribed body weight, treading himself much as he treats his low-calorie mice, and asking whether over-nutrition might be one explanation for the prevalence of fatal diseases

such as cancer. You do not have to believe that, nor that "Our generation could well be the first to experience practical immortality", to realise from this programme that there is a lot more to the ageing phenomenon than anxiety about the lack of young people to provide pensions for the old.

Naturally such matters do feature large in other programmes in the season. It begins tomorrow with David Dimbleby presenting *Staying Alive*, the first of a two-part programme which looks at what is already happening in Japan, the US and the UK. We

knew, of course, about those embarrassing old American women who insist on dressing up in rera skirts and glossy tights and going through cheerleader routines, but it is eye-opening to discover that in Florida this generation has successfully opposed a tax increase of 0.5 per cent for the education budget. That really does look like the possible start of a generation war.

Even more startling, given the image of an age-revering society which we have been fed so assiduously in the past, is the revelation that the Japanese now have "cardboard

cities" full of former construction workers. Dimbleby talks to members of Britain's baby-boom generation - those born immediately after the second world war and now hitting 50 - who seem to feel that friction between the generations will inevitably increase.

Later, Nigel Evans turns the spotlight on Grey Sex, or sex among the elderly, in a programme which is by turns fascinatingly embarrassing, bravely informative, gloriously funny and remarkably touching. Some little group somewhere invariably works up a spot of outrage over programmes as explicit as this, but experience proves that among the bashful British far more viewers will be almost hysterically grateful for help or enlightenment which they have never dared to seek elsewhere.

Songs of Robert Schumann Vol. 1. Schäfer, Johnson. Hyperion CDJ 33101. Hahn: Songs. Lott, Bickley, Bostridge, Varcoe, Johnson. Hyperion CDA 67141/3 (two discs).

Janáček: Diary of One Who Disappeared. Langridge, Johnson. Forlane UCD 16746. Tchaikovsky: Complete songs, Vol. 1. Leiferkus. Skigin. Conifer Classics 75605 51266-2. Wings in the Night. Von Otter, Forsberg. DG 449 189-2. Schubert: Lieder. Baker, Moore, Parsons. EMI CZS 569 388-2 (two discs).

It seems to be the record companies' saviour these days. As making opera recordings becomes more costly, and the public resists yet another *Tosca* or *Don Giovanni*, the song repertoire has come into its own. It is relatively cheap to produce and there is plenty of rare and interesting material still to record.

Hyperion was the first company to be seduced by its lure and has done extremely well out of it. Spurred on by Graham Johnson, the accompanist and one-man encyclopaedia of song, the company embarked on a complete Schubert Edition that will take a decade to finish. That is still work in progress but, in between writing the detailed booklets that come with each disc and fitting in recitals around the world, Johnson has found time to launch two further series for light relief. Being companionist to half the world's singers is evidently not enough to keep this pair of hands busy.

The latest of these Hyperion song editions is the complete

## Records / Richard Fairman

# Rebirth of the song

Schumann. Volume 1 has just appeared and makes an auspicious start by introducing a young German soprano who on this evidence is a born Lieder singer. Anybody who watched last weekend's television relay of Berg's *Lulu* from Glyndebourne will have seen Christine Schäfer in action. Strip away the slinky evening dress and the femme fatale eyeshadow and underneath is a pure-toned soprano.

There has been a lot of talk in recent years about singers who have "recording voices", but I do not hear that as a bad thing, and certainly not when the voice can be as intimate as Schäfer's without ever sounding insubstantial. This first volume of Schumann concentrates on his late songs, generally regarded as the least successful, when the composer was gradually losing his battle against syphilis. Many are elusive, but Schäfer and Johnson treat each one with the utmost affection.

The two-disc set of *melodies* by Reynaldo Hahn is the second in Hyperion's French Song Edition, a collection of considerable importance, like the Gounod which preceded it. Hahn is generally known by just a couple of songs today. (Felicity Lott floats sensuously through the favourite "L'heure

exquise".) But the main interest comes from two collections - *Douze Rondels* and *Etudes latines* - which never get performed and sing of Hahn's wistful longing for lost times and vanished youth. Susan Bickley, Ian Bostridge and Stephen Varcoe join Johnson in stylish performances that leave the music's gentle perfume lingering in the air.

The French company Forlane seems to have an affinity with British singers. Following a series of Lieder recitals with the long under-recorded Margaret Price, it has released a welcome disc with Philip Langridge, pairing Dvořák and Janáček. As one of the leading tenors in Janáček's operas, Langridge is a natural choice for the *Diary of One Who Disappeared*. He has a feel for the native Czech rhythms, the keen intelligence, the highly strung intensity in the voice, and Graham Johnson is yet again the skilled accompanist. For the Dvořák, Langridge is in grateful voice, more easily lyrical than he can be.

At Conifer Classics the Russian baritone Sergei Leiferkus is pursuing his own path through the classic song repertoire of his home country from Glinka to Mussorgsky and on.

His latest disc is the first volume of what promises to be a

complete Tchaikovsky cycle, which will reveal hidden jewels to those who never progress beyond the composer's famous symphonies and concertos. Leiferkus brings to this first selection a baritone and a noble feeling for the long, bel canto line that Tchaikovsky admired in Italian opera, although both he and his accompanist, Semion Skigin, might find more intimate colours at times.

At DG, the success of Anne Sofie von Otter's award-winning Grieg recital demanded a follow-up. What she and her imaginative pianist, Bengt Forsberg, devised is a whole disc devoted to the hitherto ignored area of Swedish song. Composers like Peterson-Berger, Stenhammar and Rangström are little known outside Scandinavia, but this disc is a delight - songs of a glowing, late romantic beauty, as brilliant as the winter sun.

Do not be deterred by texts in Swedish. Despite signs of vocal strain these days, Von Otter has become an invigorating singer with the zeal to win converts to the Swedish cause. It is my number one choice among the new discs.

A word, however, for one release from the past: EMI has at last released on CD Janet Baker's 1971 *Schubert evening*, which was among the singer's most treasurable recordings, an object-lesson in how to sing Schubert with purity of style and still make every word come alive. It makes a somewhat longer evening now, thanks to the addition of a later (and rather less distinguished) Schubert recital to fill the second disc, but the glory of the original has not dimmed.

## Radio / Martin Hoyle

# Blockbusters for the ear

The play's the thing. At least, on the radio it should be. But the old cliché about radio being such a visual medium, allowing you the freedom to imagine the action as you will, was too often an excuse for listless acting and dowdy production.

Radio 4's afternoon play spot went through a dowdy patch not so long ago when many gave up listening. There was a counter-movement, still going strong, that conversely tried to do every i and cross each t with location recording and virtual stage acting in the studio. I remember a pioneer in the technique in one of the regional studios going to the extremes of making his actors bounce about on a mattress on the studio floor and insisting that an actress perform in her petticoat for one scene.

More recently we have had productions about bomber command where the flat on their tummies in corridors to give the correct physical impression. And, of course, places like Glasgow send troupes of mummies and their technicians scurrying out into the highways and byways to convey the *genius loci* to the listener in his front room.

None of which is remotely necessary, given a decent script, professional actors and a good producer. Some critics there are, of film and theatre, who seem embarrassed by the

English language tradition: the British fondness for adaptation from literary sources, the one form after all the British have been good at for centuries.

Again, such caution is unnecessary. As witness *Dr Thorne*, the third in Radio 4's production of all Anthony Trollope's Barchester Chronicles. Cherry Cookson (director) and Martyn Wade (adapter) do the work proud; and a cast headed by John Wood, Leo McKern and Amanda Root cannot be bad. When the supporting cast includes Eleanor Bron, Selina Cadell, Christopher Benjamin and Ann Beach, you realise this is the radio equivalent of a blockbuster, except that, unlike most blockbusters, *Dr Thorne* is a success.

Beach has stolen more stage and television shows from under stars' noses than John Birt has had business lunches. She is a pillar of BBC radio drama and, yes, vivid enough to conjure up the dumpy demure persona with its deceptively coy smirk that her performances in the flesh made so delightful.

Another actor with these conjuring abilities is Martin Jarvis. His readings of Michael Frayn have always occupied central position in humorous broadcasting's hall of fame, and he has been reading a new batch of Frayn, *Speak After the Bep*, each morning on Four. Not reading, performing, as Radio Times rightly puts it,

produced by that veteran comedy man Pete Atkin.

Still in literary vein, last Saturday's adaptation of Mollie Keane's *Good Behaviour* was exemplary of its kind. Beautifully evocative of the maddeningly Chekhovian helplessness of a dominant class gracefully sinking with a telescope clapped to its blind eye as it elegantly refuses all offers of help. Again, the cast list reads like a roll-call of some of our best actors: Frances Tomelty, Annette Crosbie, Ronald Pickup...

Not forgetting Shelagh Stevenson, who adapted the novel. She can evidently turn her hand from linear literary yarns to the more radio-aware internal drama of memories and thoughts, past and present interwoven. Her *Five Kinds of Silence* ended the interesting *Five in July* series by up-and-coming writers. Tom Courtenay was the tyrannical husband and father killed by the family he had subjected to violence and sexual abuse. Beautifully cast (director Jeremy Mortimer), the play cast an insidious spell, showing how the unthinkable can merge into the acceptable.

Given this is the so-called silly season, the burgeoning summer has brought some treats to remind us of what the British do well. There is a down side, of course, and radio

is right to keep us alert. The novelist Margaret Drabble took over Saturday's *Inside Money* to explore, as a bewildered layman, insurance schemes that promise security in old age.

The conclusion, not all that surprising, was that most schemes were vague, hard to pin down, and evidently organised for their own commercial benefit. It is to Drabble's credit that she seemed surprised, one of the dwindling number of the socially conscious who feel that someone somewhere should actually take responsibility for the old. The moral: go to the Netherlands or Canada.

Another reminder of the long littleness of life was the intriguing *File on 4* on VAT and the naked warfare that this loophole-ridden impost has triggered between officialdom and the rest. The rest include small businesses that, if their marshmallow cones are categorised as confectionery instead of the resultant 17.5 per cent VAT; it also includes the university that formed a separate company for its heating, exploiting water's zero-rating, not to mention the big banks, where VAT-avoidance is the concern of vast bureaucratic departments.

VAT contributes a whopping 25 per cent of the government's tax revenues, but this year is already suffering from a 50th shortfall. The contest is "turning nasty". Need I add that VAT is a European invention?



## INTERNATIONAL ARTS GUIDE

## What's on in the principal cities

## AMSTERDAM

**CONCERT**  
Concertgebouw Tel: 31-20-5730573  
● Matt Haimovitz and Kevin Kerner: the cellist and pianist perform works by Schubert, R. Strauss, Schumann and Britten; 8.15pm; Aug 11

**EXHIBITION**  
Beurs van Berlage Tel: 31-20-530 4141

● Pablo Picasso, Lust for Life. Tekeningen, grafiek en keramiek na 1945: exhibition of drawings, lithos, engravings and ceramics created by Pablo Picasso after the second world war. The display includes 60 vases and plates, and 200 drawings and graphic works from French and Italian private collections; to Sep 1  
Stedelijk Museum Tel: 31-20-5732211

● A Hundred Photographs: exhibition showing a selection of works from the museum's photography collection, including works by Man Ray, Robert Frank, Ed van der Elsken, Nan Goldin and Nobuyoshi Araki; to Aug 18

## ATLANTA

**EXHIBITION**  
High Museum of Art Tel: 1-404-733-4400

● Picturing the South, 1863-1966: this photography exhibition examines the facts, contradictions and myths that have shaped the cultural heritage and psychological identity of the South of the US, and the influence they have exerted on the imaginations of artists for more than a century. The display includes approximately 175 works by photographers from throughout the South, as well as by non-regional American and international artists who have been drawn to the South since the Civil War. Artists represented include George N. Barnard, Lee Friedlander, Walker Evans, Harry Callahan and John McWilliams; to Sep 14

## BARCELONA

**EXHIBITION**  
Museu Picasso Tel: 34-3-3196310  
● Picasso and the Linocut: this exhibition features 86 linocuts from the collection of the Museu Picasso. Between 1954 and 1964 Picasso devoted great attention to the linocut; to Feb 1

## BERLIN

**DANCE**  
Komische Oper Tel: 49-30-202800  
● Martha Graham Dance Company: perform Deep Song, Strychnine, Festival Song, Division of Angels and Brand into the Maze; 8pm; Aug 10, 11

**EXHIBITION**  
Alte Museum Tel: 49-30-4301832  
● Lovis Corinth: retrospective exhibition devoted to Lovis Corinth, one of the leaders of German Impressionism. The display includes nearly 150 paintings; approximately 60 drawings and watercolours, as well as a selection of prints. After the showing in Munich the exhibition will travel to Saint Louis and London; to Oct 13  
Das Bauhaus-Archiv, Museum für Gestaltung Tel: 49-30-25400278  
● László Moholy-Nagy zum 100. Geburtstag: retrospective exhibition devoted to the work created by the Hungarian sculptor, painter, designer and photographer László Moholy-Nagy (1895-1946), on the occasion of the centenary of the artist's birth; to Dec 31

## BONN

**EXHIBITION**  
Kunstmuseum Bonn Tel: 49-228-776121  
● Willem de Kooning: Das Spätwerk - Die achtziger Jahre: exhibition focusing on the work created by the Abstract Expressionist painter Willem de Kooning in the 1980s; to Aug 18

## BOSTON

**CONCERT**  
Tanglewood Music Festival Tel: 1-617-2651492  
● Ein deutsches Requiem: by Brahms. Performed by the Boston Symphony Orchestra with conductor Jeffrey Tate and the Tanglewood Festival Chorus led by John Oliver. Soloists include soprano Rebecca Evans and baritone Bo Skovhus. Part of the Tanglewood Music Festival; 8.30pm; Aug 9

**EXHIBITION**  
Museum of Fine Arts Tel: 1-617-267-9300  
● Gauguin and the School of Pont-Aven: this exhibition features 80 oil paintings, 30 works on paper and four sculptures, including works by Gauguin, Bernard and 18 other artists associated with Gauguin's presence in Brittany; to Sep 15

## BREMEN

**CONCERT**  
Bremgauer Festspiele - Festspiel und Kongresshaus Tel: 43-5574-4920  
● Missa Solemnis: by Beethoven. Performed by the Wiener Symphoniker with conductor Rafael Frühbeck de Burgos and the Sofia Chamber Choir. Part of the Bremgauer Festspiele; 7.30pm; Aug 5

## BRUSSELS

**EXHIBITION**  
Palais des Beaux-Arts Tel: 32-2-5078466  
● Ilya Kabakov. Sur le toit: exhibition of Ilya Kabakov's installation "Sur le



Imperator Sigismund, by Antonio Pisanello (see Paris)

toit" (On the roof), created for the Palais des Beaux-Arts, in which the visitors walk on a foot bridge over the roofs of an imaginary city; to Sep 8

## CAPE TOWN

**CONCERT**  
Nico Theatre Tel: 27-21-215470  
● Collegium Regale: 14 Choral Scholars of the King's College Choir present a programme of a cappella music ranging from the 16th century English repertoire to contemporary composers and close harmony arrangements; 1.10pm; Aug 7

## CHICAGO

**EXHIBITION**  
Art Institute of Chicago Tel: 1-312-4433600  
● Roy DeCarava: A Retrospective: exhibition of more than 200 photographs by Roy DeCarava, ranging in date from 1948 to 1994. The exhibition captures the wide variety of subjects he addressed over the years, from intimate still-lives to portraits of jazz musicians to poignant reflections of the panorama of daily human life; to Sep 15

● Splendors of Imperial China: Treasures from the National Palace Museum, Taipei: almost 400 works spanning four millennia have been selected for this exhibition from the collection of the National Palace Museum in Taipei. The display features nearly 100 paintings and calligraphic works, as well as more than 200 jades, bronzes, ceramics, and other decorative arts, including many of the Tang, Song, and Yuan masterpieces of calligraphy and painting in the museum's collection, and examples of Imperial Chinese ware from the Sung through the Ch'ing periods; to Aug 25

## CINCINNATI

**EXHIBITION**  
Taft Museum Tel: 1-513-241-0343  
● The Glory of the Russian: Five Centuries of Treasures: assembled from several private collections, this overview of Russian art includes icons, oil paintings, works on paper, furniture and decorative arts objects, dating from the 16th century through the early 20th century, when the Bolshevik Revolution changed Russia's system of art patronage and closed most access to Russian art for foreign collectors; to Aug 18

## COLOGNE

**EXHIBITION**  
Museum Ludwig Tel: 49-221-2212379  
● Die Expressionisten - Vom Aufbruch bis zur Verfassung: exhibition commemorating the collector Dr Josef Haubrich, who donated his collection of Expressionist art to the city of Cologne 50 years ago. The display includes 400 paintings, sculptures, watercolours and prints from international collections, giving an overview of German Expressionist art; to Aug 25

## EDINBURGH

**EXHIBITION**  
National Gallery of Scotland Tel: 44-131-5568921  
● Velázquez in Seville: this exhibition features early works made by Velázquez in his native town Seville; from Aug 8 to Oct 20

**FESTIVAL**  
Edinburgh International Film Festival Tel: 44-131-2284051  
● Dramatic Edinburgh Film Festival: the oldest continually running film festival in the world celebrates its 50th anniversary this year. Major elements are the categories "Rosebud", featuring work by innovative and independent film-makers from across the continents, "New British Expo", a showcase of the UK's annual film production, "Gales", premieres of narrative films from around the world playing throughout the festival in cinemas around Edinburgh, "Scene by Scene", in which film-makers take you through their key works, and "Retrospective", this year focusing on 1947, the year in which the Edinburgh Film Festival was born; from Aug 11 to Aug 25

Edinburgh International Festival Tel: 44-131-2255756  
● Edinburgh International Festival: 50th edition of this annual arts festival, which was founded in 1947 by Audrey Midgway and Sir Rudolf Bing. Central to the event is the

theme of artistic collaboration and inspiration. Special attention is paid to Christoph Willibald von Gluck by presenting two of his operas - *Oryphée et Eurydice* and *Iphigénie sur Tauris* - directed by two of the world's leading dance makers: Mark Morris and Pina Bausch. Other highlights include performances by the Netherlands Dance Theater and the Martha Graham Dance Company, the theatre production *Orlando* by Robert Wilson, starring Miranda Richardson, the opening concert by the Royal Scottish National Orchestra with conductor Donald Runnicles, and performances by Bryn Terfel, Evelyn Kissin, Renée Fleming, Bo Skovhus, Alicia de Larrocha, Andrés Schiff, Christian Zacharias, Ann Murray, the New York Philharmonic Orchestra, the Orchestra of the Eighteenth Century and The Cleveland Orchestra; from Aug 11 to Aug 31

## FRANKFURT

**EXHIBITION**  
Städt. Kunsthalle Tel: 49-69-2938820  
● Lucio Fontana: a retrospective exhibition featuring the work of the Italian artist Lucio Fontana (1899-1968). The exhibition includes close to 200 works selected from museums and private collections throughout the world. Following recent research in Argentina, where Fontana was born, hitherto unknown works from Argentine sources are shown to the public for the first time; to Sep 1

## HANOVER

**EXHIBITION**  
Sprengel Museum Tel: 49-51-1-933875  
● Lyonel Feininger. Graphik aus der Sammlung des Sprengel Museum Hannover: exhibition featuring 11 watercolours and 38 prints by Lyonel Feininger, giving an overview of his artistic career. The works come from the permanent collection of the Sprengel Museum; to Sep 1

## LAUSANNE

**EXHIBITION**  
Fondation de l'Hermitage Tel: 41-21-320501  
● Armand Guillaumin 1841-1927. Un maître de l'impressionnisme français: retrospective exhibition devoted to the work of the French Impressionist Armand Guillaumin. The display includes more than 150 paintings, drawings, pastels and engravings from public and private collections in Europe and the US; to Oct 20

## LONDON

**EXHIBITION**  
Dulwich Picture Gallery Tel: 44-181-6935254  
● Dutch Flower Paintings, 1600-1750: this exhibition includes works by Ambrosius Bosschaert, Van Huysum, Rachel Ruysch, Jan Davidisz de Heem and Balthus van der Ast and are from private collections; to Sep 29

**National Gallery Tel: 44-171-7472685**  
● Degas: Beyond Impressionism: this exhibition features the late work of Edgar Degas. Degas achieved fame with his pictures of the ballet and the racecourse, but he continued to work long after this period, often experimenting with new techniques and subjects; to Aug 26  
Royal Academy of Arts Tel: 44-171-4397438  
● 228th Summer Exhibition: held every year since 1769, this is the largest open contemporary art exhibition in the world, drawing together a wide range of new work by living artists. It provides an opportunity to see work by internationally acclaimed painters, sculptors and printmakers alongside works by younger and less well-known artists. The Summer Exhibition is a selling exhibition; to Aug 18

The Hayward Gallery Tel: 44-171-9804242  
● Claes Oldenburg: an Anthology: this exhibition includes around 150 sculptures, maquettes, drawings, notebook sketches and film. This American artist's work became prominent with the emergence of Pop Art in the early 1960s; to Aug 18  
Victoria & Albert Museum Tel: 44-171-9368500  
● William Morris: this exhibition celebrates the life and work of William Morris (1834-1896), designer, artist, poet, visionary and founder of the Arts and Crafts Movement. The exhibition shows the works and

examines the influence of William Morris in books, textiles, ceramics, furniture, wallpapers and stained glass; to Sep 1

## LOS ANGELES

**EXHIBITION**  
Huntington Library, Art Collection and Botanical Gardens Tel: 1-818-405-2100  
● Arthur, King of Britain: exhibition of manuscripts, rare books and illustrative material tracing the development of the Arthurian legend as conceived and passed down from the Middle Ages to the 20th century. The exhibition focuses on how the British stories of Arthur became an integral part of European history and literature. On display are a mid-15th-century manuscript of the "Brute Chronicle" and early printed books such as Camden's 1480 "Chronicle of England", a 1557 printing of Sir Thomas Mallory's "The Story of the Most Noble and Worthy King Arthur", and Edmund Spenser's "The Faerie Queene" (1590). Later items include portions of Tennyson's manuscript draft of his poem "The Idylls of the King" and a William Morris illuminated manuscript of "The Defence of Guinevere"; to Sep 12

## LYON

**EXHIBITION**  
Musée des Beaux-Arts Tel: 33-72 10 17 40  
● Trésor des Templiers: exhibition devoted to the find of 545 gold and silver coins. The coins were buried around 1380 and dug up three years ago; to Feb 16

## MADRID

**EXHIBITION**  
Palacio de Velázquez Tel: 34-1-573-62-45  
● Cindy Sherman: exhibition of a selection of some 70 photoworks featuring examples of the "Untitled Film Stills" of 1977-1980 which brought Sherman international recognition. Also on show are works from her most extreme photo-series "Disgust Pictures" (1986-1989), "Sex pictures" (1992) and "Horror Pictures" (1995), the most recent of which have not been exhibited previously; to Sep 22

## MARTIGNY

**EXHIBITION**  
Fondation Pierre Ginerolles Tel: 41-26-223978  
● Edouard Manet: retrospective exhibition devoted to the French painter Edouard Manet (1832-1883). The display features some 100 works from European, American and Japanese collections, including paintings, watercolours and drawings; to Nov 11

## MONTREAL

**EXHIBITION**  
Musée des Beaux-Arts de Montréal Tel: 1-514-288-1600  
● René Magritte: major exhibition devoted to the work of the Belgian Surrealist. The display includes close to a hundred items from public and private collections in Europe and North America. As well as paintings and drawings, the show features sculptures, objects, photographs, posters and illustrations; to Oct 27

## MUNICH

**EXHIBITION**  
Villa Stuck Tel: 49-89-4555510  
● Collaborations: Warhol, Basquiat, Clement: exhibition of 44 large-scale paintings that are the result of a collaboration between these three artists in 1984/85; to Sep 29

## NEW YORK

**CONCERT**  
Avery Fisher Hall Tel: 1-212-675-5030  
● A Benefit Tribute to Yehudi Menuhin: featuring the Orchestra of St. Luke's with conductor Yehudi Menuhin, clarinetist Richard Stoltzman, violinists Shlomo Mintz, Elinor Olsin and Edna Mitchell, soprano Barbara Hendricks, sitar-player Ravi Shankar, kora-player Foday Musa Suso and narrator Allen Ginsberg. Part of the Lincoln Center Festival; 8pm; Aug 11  
● New York Philharmonic: with conductor Kurt Masur and soprano Maria Ewing perform works by Feldman, R. Strauss and Hindemith. Part of the Lincoln Center Festival; 8pm; Aug 6, 7

**EXHIBITION**  
MOMA - Museum of Modern Art, New York Tel: 1-212-708-9400  
● Picasso and Portraiture. Representation and Transformation: exhibition surveying the portrait work of Pablo Picasso (1881-1973). Beginning with early studies from the artist's years in Barcelona, the exhibition moves through Picasso's life via intimate portraits of his family, lovers and friends, including his childhood friend and later secretary Jaime Sabartes, the poet Max Jacob, Picasso's first great love Fernande Olivier, Olga Picasso, the artist's wife in the 1920s, and his last wife, Jacqueline; to Sep 17

The Metropolitan Museum of Art Tel: 1-212-678-5500  
● Toulouse-Lautrec: exhibition of more than 100 works by Toulouse-Lautrec, all drawn from the museum's holdings of the artist's work. The display features portraits and figure studies in oil and gouache, ink and colour chalk drawings of animals and circus subjects, and the famed posters and prints Lautrec made to publicise Parisian performers and nightspots, including the Moulin-Rouge; to Sep 15

## NICE

**EXHIBITION**  
Musée Matisse Tel: 33-93 53 40 53  
● Matisse-Bonnard, Une Amitié:

exhibition to examine the friendship between Matisse and Bonnard from the 1920s to 1947. The exhibition includes paintings, drawings, photographs and letters written by the artists; to Oct 27

## OSTEND

**EXHIBITION**  
Museum voor Moderne Kunst Tel: 32-59-508118  
● Pol Bury, retrospective 1939-1994: major retrospective exhibition of this many-sided artist. His work includes paintings, reliefs, wood-sculptures, metal-sculptures, string-sculptures, fountains and graphic art; to Sep 8

## PARIS

**EXHIBITION**  
Centre Georges Pompidou Tel: 33-1-44 78 12 33  
● Francis Bacon: exhibition showing 90 works that were created between 1930 and 1990; to Oct 21  
Musée d'Art Moderne de la Ville de Paris Tel: 33-1 53 67 40 00  
● Calder: exhibition devoted to the American artist Alexander Calder who worked in Paris for more than 30 years. The display, organised in collaboration with the Louisiana Museum, features more than 140 works; to Oct 6  
Musée du Louvre Tel: 33-1 40 20 50 50  
● Pisanello (1395-1455). Le Peintre aux Sept Vertus: major retrospective exhibition devoted to the 15th century Italian court painter and medalist Pisanello. The display features 320 works by the artist, his contemporaries and his followers from the collection of the Musée du Louvre and other museums. Included are drawings, parchments, paintings, frescos and medallions; to Aug 5

## PESARO

**FESTIVAL**  
Rossini Opera Festival Tel: 39-72-30161  
● Rossini Opera Festival: annual opera festival taking place in Rossini's place of birth. This year's edition features Rossini's operas *Piccioro e Zoraida*, *L'occasione fa il ladro* and *Matilde di Shabran*. Other highlights include a concert by the Gustav Mahler Jugendorchester with conductor Claudio Abbado and pianist Hélène Grimaud, and a recital by pianist Maurizio Pollini; from Aug 10 to Aug 24

## PHILADELPHIA

**EXHIBITION**  
Philadelphia Museum of Art Tel: 1-215-763-8100  
● Cézanne: an international loan exhibition spanning the career of Paul Cézanne (1839-1906), organised by the Philadelphia Museum of Art in collaboration with the Réunion des Musées Nationaux/Musée d'Orsay in Paris and the Tate Gallery in London. The display includes 100 oil paintings, 35 watercolours and 35 drawings from public and private collections; to Sep 1

## ROME

**EXHIBITION**  
Museo Nazionale del Palazzo Venezia Tel: 39-6-6798865  
● Felicien Rops. La modernité scandaleuse: retrospective exhibition devoted to the work of the Belgian graphic artist Felicien Rops (1833-1898), who settled in Paris in the mid-1870s and acquired a reputation for satanism and decadence. The display features more than 300 works from public and private collections; to Sep 1

## SALZBURG

**CONCERT**  
Grosses Festspielhaus Tel: 43-662-80450  
● Radu Lupu: the pianist performs works by Schubert. Part of the Salzburger Festspiele; 8pm; Aug 7

## SYDNEY

**EXHIBITION**  
The Powerhouse Museum Tel: 61-2-2170111  
● Treasures from the Kremlin: the world of Fabergé: five of the remaining Fabergé Easter Eggs designed and created by the Russian jeweller Peter Carl Fabergé are among the works featured in this exhibition. The exhibits come from the collection of the Armoury Museum at The Kremlin and include approximately 250 objects made of gold, silver and semi and precious stones, ornate religious icons, the luxurious coronation gowns of the last Russian Tsar and Tsarina, Nicholas II and Alexandra, and the Tsarina's personal sketch book used to outline orders from the House of Fabergé; to Sep 20

## WASHINGTON

**EXHIBITION**  
National Gallery of Art Tel: 1-202-7374215  
● In the Light of Italy: Corot and Early Open-Air Painting: the achievements of the international group of painters who assembled in Rome and southern Italy at the end of the 18th century and the early years of the 19th century are presented through approximately 120 paintings. An important feature of the exhibition is a selection of 20 of the finest Italian sketches and small finished view paintings by Corot in the context of plein-air painting in the early 19th century; to Sep 2

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## CHESS

Matthew Sadler is top seeded to retain his title when the British Championship starts on Monday. Despite £3,000 prize money many GMs will be absent, perhaps scared off by 22-year-old Sadler's recent successes, which could soon put him among the GM elite who take part in the top all-play-all.

Sadler's success in the Austrian Open advanced his Fide rating to 2645; he joins Britain's Short and Adams in the world top 30 (M Sadler, UK, v 8 Dvorkys, Russia; Grandfield Defence).

1 d4 Nf6 2 c4 g6 3 Nc3 d5 4 cxd5 Nxd5 5 Nf3 Bg7 6 e4 Nxc3 7 bxc3 c5 8 Bb1 0-0 9 Be2 cxd4 10 cxd4 Qa5+ 11 Bb2 Qxa2 12 0-0 b5. A fashionable line where White's active pieces offset his gambled pawns. Black's last consolidates the pawn but misplaces his B, so Gelfand v Polgar last week at Novgorod preferred 12...Bg4 15 Bg5 h5 14 Bc3 Nc5 15 Bxb7 Rab8 when Black drew easily.

13 Bg6 Qe7! A time-consuming queen retreat to base; better Re8. 14 Re1 Rb7 15 Bb5 a5 to give the knight an outpost at b4. Instead both Nc7 16 Qa4 and a5 16 Bb4 b5 17 Bb3 Qd7 18 d5 favour White.

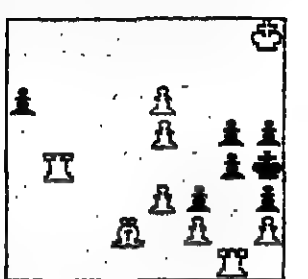
16 d5 Qd6 17 Nd2 Na6 18 Nc4 Qc7 19 Bc3 Ne5 20 e5 Qd8! Completing his queen regroup,

but allowing White a won ending. 20...a4 is the only chance for counterplay.

21 Bc1 Bxc5 22 dxc5 Qxd1 23 Rxd1 Na4 24 Rd7 Nc3 25 Rb3 b5 26 Nb6 Bxc5 27 Nxa8 a4 28 Rxc3! White actually loses the ensuing pawn race to queen, but the black king becomes a target.

Bxc3 29 c7 a3 30 Rd8 a2 31 Rxf8+ Kg7 32 Rg8+ Kf6 If Kg8 33 c9+ Kg7 34 Qxc3+ wins. 33 g3 a1Q+ 34 Kg2 Qb1 32 c8Q Qe4+ 33 Kh3 Resigns. Black is out of reasonable checks; White wins on material.

No 1,139  
White mates in four moves, against any defence (by Nevil



Chan, 1996) - a hidden solution and several near misses.

Solution, Page 11  
Leonard Barden

## BRIDGE

Trick one is frequently the crucial moment of the deal. Unfortunately, many players remember this only at trick 13.

N  
♠ A 9 8 5  
♥ K Q 10 8  
♦ 9 2  
♣ 9 5 3  
W  
♠ 4 3  
♥ 6 5  
♦ 10 8 5 3 2  
♣ K Q 10 6  
E  
♠ 5 3  
♥ A J 8 7 4 2  
♦ K J  
♣ 8 4

S  
♠ K Q J 10 7  
♥ 8  
♦ A 7 6  
♣ A J 7  
East opened 1F. South overcalled 1S which is superior to double as it will secure a 5-3 spade fit and, having been raised by North, bid 4S. West led ♠9.

The declarer quickly played dummy's ♠Q - taken by East's A♥ - and won the ♠K switch. Drawing trumps, he pitched one diamond loser from his hand on ♠K, and took a club finesse. This lost, East-West cashed their diamond trick,

and there was still another club to lose.

The declarer had overlooked the key card - his singleton ♠9. Involving this card in the action results in the vital extra trick. At trick one, the declarer should play ♠9 from dummy. East wins, with J♥, and switches to K♥. Declarer wins this, cashes K♥, and plays 10♥ to dummy's A♥.

The trumps drawn, he leads his top hearts from dummy, pitching diamond losers, until East plays A♥. When he does, South ruffs high, returns to dummy with 7♥ to ♠9 and plays off his winning hearts until both his diamond losers are discarded. Having lost only one trick, he can afford to lose two club tricks, and ruff the final club in dummy.

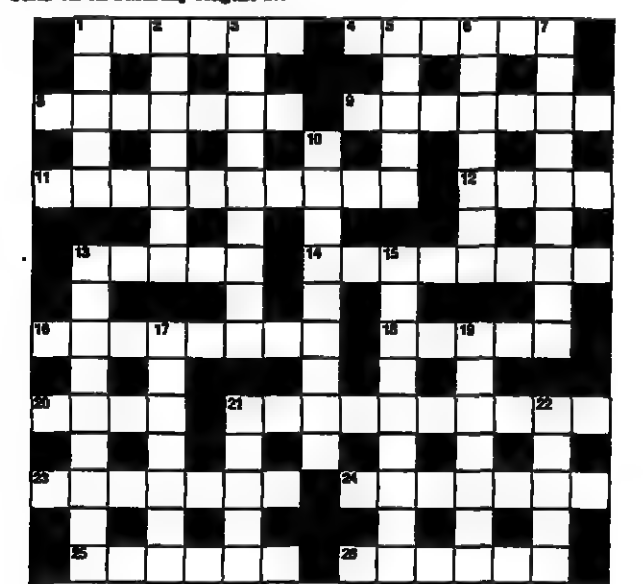
The European Junior Championships, held in Cardiff, have finished with Norway taking the title. Great Britain, the holders, recovered from a poor start to finish 16th out of the 35-strong field.

Paul Mendelson

## CROSSWORD

No. 9,137 Set by DINMUTZ

A prize of a classic Pelikan fountain pen for the first correct solution opened and five runner-up prizes of 250 Pelikan vouchers. Solutions by Wednesday August 14. Dated Crossword 9,137 on the envelope, to The Pelican Times, Number One Southwark Bridge, London SE1 8NL. Solution on Saturday August 17.



Name \_\_\_\_\_  
Address \_\_\_\_\_

ACROSS  
1 Morning air in Provence? (6)  
2 Quarrels reported in a few words (6)  
3 Pattern of gold on a canal boat (7)  
4 Whiff after gunners show frenzied routine? (3,4)  
5 Keep firm grip! (10)  
12 Where men go in and out, in removals? (4)  
13 Fallen angel has to pick up the pieces (6)  
14 Players not seen here in slack period (3,5)  
16 Like one fated, perhaps, not to enjoy Mozart (4-4)  
18 Spikes necessary for some shoes (3)  
20 Common error, whichever way you look at it (4)  
21 The case for the prosecution (10)  
23 Split note is unmistakable! (7)  
24 Not out of capital - here is a way to find gold (7)  
25 Hard to hearing? (6)  
26 Resembling the stars of fast rallycross (6)  
DOWN  
1 A period of illness here and there (5)  
2 Trouble brought about by lying? (7)  
3 Old stonework needs proper care and attention (10)  
4 Like a diamond ring inside big firm (6)  
12 Where men go in and out, in removals? (4)  
13 Fallen angel has to pick up the pieces (6)  
14 Players not seen here in slack period (3,5)  
16 Like one fated, perhaps, not to enjoy Mozart (4-4)  
18 Spikes necessary for some shoes (3)  
20 Common error, whichever way you look at it (4)  
21 The case for the prosecution (10)  
23 Split note is unmistakable! (7)  
24 Not out of capital - here is a way to find gold (7)  
25 Hard to hearing? (6)  
26 Resembling the stars of fast rallycross (6)

WINNERS 9,135: T. Wheatcroft, London SW5; Mrs R.V. Allan, St Asnes on Sea, Lancs; J.E. Parton, Wollaton, Nottingham; D. Sturges, Robson Wathen, Dryed; Mrs A. Wood, Burnley, Lancs; B. Woodward, Sedgfield, Co Durham.







James Morgan

## The Olympics and national differences

If you criticise strident flag-waving and rampant commercialism, you criticise the US

This paper reported last week that Nike, a leisure footwear firm, had been criticised for some of its Olympic advertisements. They had, apparently, adopted a contemptuous attitude towards those who failed to win a gold medal and that, it was felt, contradicted the Olympic spirit.

One fails to understand why. Even before last Saturday's bomb the Olympic spirit left much to be desired. It had brought the nations of the world together only in the sense that 196 of them had united against the 197th, that is to say the US.

The Atlanta games were widely reckoned to be badly organised, the hosts came across as unbearably

chauvinistic and the occasion was used for what the Russian and Chinese media called "propaganda purposes". The mayor of Atlanta replied that critics should be shot. Some of the attacks seemed unfair: if TV news bulletins want to interest the viewers they must concentrate on their compatriots. If those compatriots win a lot of medals, reporting them will take some time. After all, a British bronze wins two minutes of airtime at any time of day in the UK, and that is five times a day.

Among the most consistent critics of the whole affair was the *Frankfurter Allgemeine Zeitung*. The FAZ is of course critical of almost everything: its editors routinely tell St Peter to smarten up

and complain about the workings of the Pearly Gates when demanding entry. It attacked the "oriental flea market" around the Olympic stadium and noted that when a foreign gymnast performed brilliantly "not a hand was raised in applause" by the nationalistic audience. But, as a colleague of mine noted in a report from Atlanta, if you criticise strident flag-waving and rampant commercialism, you criticise the US.

Are Americans alone in complaining that when their national champion swims in at number nine then everyone else must have cheated? Research demonstrates that national differences are considerable. The British see their inadequate results as a conse-

quence of a lack of public sector commitment, a typical refrain. Curiously, the French, highly successful at this meeting, agreed. *Le Monde* quoted the British gripe and then listed the "jobs" held by French gold medalists: an impressive list of public sector sinecures.

But the French, in their current mood, are the last to let success go to their heads. "A medal does not make a spring," wrote *Le Figaro* in an editorial that otherwise tried to convince its readers that France was not mired in hopelessness.

In Poland, other news disappeared from the front pages. When Renata Mauer came third for the third time in a shooting competition, *Rzeczpospolita* led with "Three colours bronze". That, if you need

telling, is a sort of pun: the late director Krzysztof Kieslowski made three films with titles beginning "Three Colours". Intricate little jokes are a local speciality.

The Germans, meanwhile, repined over their presumed failures. A swimmer said they had been "punished by silver and bronze". Even the *FAZ* thought this was going a bit too far.

The bomb seemed to lighten the mood. British editorials hoped that now, maybe, Americans would stop pouring money into the pockets of the IRA. From Munich, the *Süddeutsche Zeitung* wrote: "Even before the bomb exploded in Centennial Park the Atlanta story was not of hard-fought victories and heroic defeats but of the collision of

the American view of sport as profit-oriented entertainment with everybody else's concept of worldwide, and hence unifying, competition." An optimistic view of everybody else, perhaps, and one that led to the cheerful conclusion that, thanks to a madman, Atlanta had become a symbol of everything the games should not be.

In Milan, *La Repubblica* seemed to think the bomb had done some good: it had rescued the games' organisers. "Before the bomb - arrogant, disorganised, false... afterwards - sincere, determined, honest."

Maybe terrorism could become a new Olympic event. James Morgan is BBC World Service economics correspondent.

Private View / Christian Tyler

## So what would you like to talk about?

When Princess Diana went on television eight months ago to tell the nation she wanted to be a queen of hearts, some people detected a wicked witch in the plot. Susie Orbach, Diana's shrink, was accused of transforming Britain's doe-eyed princess into a vengeful feminist with alimony in her heart.

For months the press had lain in wait outside Orbach's house in London's fashionable NW3, ambushing Diana on her thrice-weekly visits.

They began to dig up Orbach's past - her rebellious school days, teenage pregnancy and eating disorder, her feminism and left-wing politics, her brief New York marriage, family disagreements.

No wonder the woman is wary. Even though she is no longer Diana's therapist and the princess is waiting for the decree absolute which this month will terminate her 15-year marriage to the heir to the British throne, Orbach is in a state of post-celebrity convalescence.

Yet her attitude to publicity is thoroughly ambivalent. However hostile her feelings, she maintains a relationship with the media. She has agreed to TV and radio appearances while denouncing their treatment of her; she writes a column for *The Guardian* and after some weeks' hesitation she consented to see this newspaper to talk about the parlous state of modern marriage.

Before we sat down, however, she had second thoughts. Was it a mistake to be doing the interview? Would it not all be hitched to Diana's divorce?

When I attempted to soothe and flatter her by saying she was probably the best-known psychotherapist in the country at the moment, she was irritated.

"I should have thought I was pretty well known already," she said. And indeed Orbach made her name nearly 20 years ago with a book called *Fat is a Feminist Issue*. It argued that eating disorders (such as the anorexia and bulimia which Princess Diana suffered) are the consequences of being a woman in a male-dominated world.

The conversation got off to a sticky start while the ghost of the Wales's marriage hovered piteously overhead.

Orbach was soon professionally at ease. From time to time as she talked she fixed me with an enormous pair of gleaming dark eyes. When she smiled it was with disarming sincerity. When she moved about the room she was brisk, slim and neat apart from the self-conscious disarray of her bird's-nest hairstyle.

The majority of Orbach's clients are women. She is also a "couple therapist" - what used to be called marriage guidance counsellor - who, she told me pointedly, advises lesbian as well as heterosexual pairs.

As a psychotherapist she would express no moral opinion on the decline of marriage. "What I can say, I suppose, is that people come to me who are unable to achieve intimacy or recognition or stability of attachment in a relationship and unable to change the nature of the relationship."

Had the emancipation of women



Susie Orbach, once psychotherapist to Princess Diana, maintains an ambivalent attitude to publicity

Lynne van der Meer

helped undermine marriage?

"I don't think we've got the emancipation of women, only a thrust towards it," she said. "It's lifted the veil of economic dependency and it's exposed the emotional dependency arrangement which was embedded within marriage."

Sometimes Orbach talks in the bland, jargonised style known as psycho-babble phrases such as "textured response" occur frequently - and then you hear traces of the accent she acquired from her

years in the US. At other times a mocking English humour breaks through. She even called herself a shrink.

"I don't think women's desires for intimacy have been overstimulated by women's liberation," she continued. "They've always been there. It's just that a diamond doesn't do it for you any more."

"It's a very obvious thing to say, but as women feel more entitled they want more in their relationships. They don't want to be provid-

ers of emotional nurture and domestic services without having some kind of mutuality."

When I suggested that the standard marital contract between men and women had developed over thousands of years she jumped.

"But it hasn't! It's a very recent phenomenon, modern marriage. Anthropologists could tell you about many many different kinds of arrangement. We feel it's enduring, but the nuclear family in this particular form is a phase. What we are

seeing is the Victorian middle-class ideal."

I asked her about her campaign, *Antidote*, which I had read was designed to put male Members of Parliament in touch with their feelings.

"That's complete bullshit!" she said in a very English, ladylike voice. "What we're trying to talk about is the emotional underpinnings and consequences of policies. You have economic audits all the time, you have statistical audits. You don't have emotional audits."

It sounded a bit woolly, but I found myself warming to Ms Orbach.

I asked her to explain what she meant by "gendered behaviour".

"Well, the way we understand who we are is saturated by a sense of being feminine or masculine - the way we move, the way we interact, the way we look after one another. Gender is completely central to our sense of self."

"But each society creates a set of roles that go with gender. The roles are flexible, but in practice too fixed." Gender was like marriage itself, largely a matter of cultural tradition - and therefore mutable.

So what is immutable?

"Well, I guess that women repro-

duce and lactate and men impreg-

Nothing else?

"We don't know yet. I mean, we don't even understand what it means that a man impregnates, or that a woman carries babies."

I should have thought it was rather simple.

"I mean we don't know how it affects our psychology."

You have written that it is time to revise our concept of what men are for. What are men for?

"Well, to contribute to human culture and... you know, love and reproduction and all of those things," she concluded generously.

"This image of the man as someone who goes out, you know, *hunga-hunga-hunga* (here she waved her arms like a baby gorilla) and earns the money and plunks the bacon on the table is an incredibly unfortunate image for a man."

I was beginning to feel a bit of an ape myself. If he doesn't bring home the bacon, I said, what on earth is he going to do?

"Well, can't you bring home the bacon and not only bring home the bacon? I mean I'm not somebody who's into androgyny. It's a preposterous notion. I don't want men to be like women. I don't want to be like a man. But I don't feel either sex should be limited in quite the ways we are."

The therapist raised her burning eyes. I melted some more.

Therapists get a bad press on the whole. In the eye of the royal storm, Susie Orbach got worse than bad

For 34 years Susie Orbach has been unmarried to Joe Schwartz, a former particle physicist in Berkeley, California, and science writer who is also a psychotherapist. They have two children. She says their decision not to marry was a private one, common in their social circle and generation, not a matter of principle.

Her interest in psychotherapy seems to have grown out of studying women's eating disorders in the US against a background of radical politics (her father Maurice Orbach was a left-wing Labour MP) and feminism in the 1960s. As for her own teenage eating problem she says she had a problem, but not a serious one.

You mean you were fat?

"Yes. I think the problem was feeling that food was not a straightforward issue in one's life but constrained by a whole set of rules. It had very little to do with hunger. I was a teenager like any other, part of a group of women that wanted to understand the role of food in our lives and the role of compulsive eating."

Therapists get a bad press on the whole. Being in the eye of the royal storm, Susie Orbach got worse than bad. She argues that her profession is under attack because it has left the margins of society and become part of everyday life.

I observed that therapists have been seen as the modern replacement for the priest.

"I don't know. I think the relationship is a very powerful one. I don't want to deny that. It can be incredibly enabling and helpful to people but it can also be damaging and hurtful."

Aren't you afraid of the power it gives you?

"It's more complex than that. I don't think it gives me power over people. I do think I get a very privileged entry into somebody's life and that I need to be terribly aware of the weight of my words, if I can put it that way."

I asked her if her feminism was not an obstacle to professional neutrality as a psychotherapist.

"No, not at all. The most interesting developments in psychoanalysis in the last 20 years have come from people thinking about masculinity and femininity."

As a feminist, she explained, she might be concerned politically with the subordination of women as a whole. As a therapist, only with the individual.

But doesn't it mean you have a hidden agenda?

"It means if I have an agenda it's a bit more visible. There's no such thing as a non-agenda," she added, her voice rising. "Every therapist has one, every single person has a set of ideas."

She was calm again. "Don't you think there's a fear of women and a fear of psychotherapists, and they come joined together? Although I am a psychotherapist I am also a critic of an awful lot of psychotherapy. I find it terribly funny when people put together this demon, you know, the therapist with an agenda," she said, sounding far from amused. "I'm not a propagandist, for Christ's sake."

We were not, of course, discussing Princess Diana. But now I know why Diana went so often to NW3.

space. America's contribution will be financed by another invisible reduction in defence spending. It has trimmed and snipped. But to my certain knowledge it still has 2,123 missile heads trained on countries that no longer exist."

"What does Labour get out of it?" asked someone else.

"Extremes by association. I have turned you into the people's party. Thanks to the Tony Blair London-New York Millennium Celebration Bridge, people who live in London will be able to party in New York practically every night, and vice versa."

Other searching questions were fired at my head. I started to lose my way, believe it or not. But at that very moment, Tony arrived. "Mike's cool," said Tony. "And so is his bridge - our bridge, rather. As a counterweight to the plots being hatched by Gordon Brown and the Ticktocks, I suggest we approve this bridge without ado."

And so they did.

## Kieran Cooke Peddling culture shock in Oxford

Doris came within an inch of being run over by a trishaw last week. For my mother-in-law this was an event giving rise to profound cultural confusion.

The incident happened outside the botanical gardens in Oxford. Doris is Chinese and is visiting from her home town of Singapore.

"What was that?" said Doris, peering after the fast disappearing three-wheeler.

I told her. The trishaws are the latest transport item in the city, ridden around by nuclear physics students and others trying to supplement their incomes. Another trishaw passed carrying a Japanese tourist, camcorder whirling away. It was all a little too much for Doris. If I had told her world rice supplies had suddenly run out she could not have looked more shocked.

"Crazy, I say. The *angmaw kwei* (a term of affection for westerners, roughly meaning 'red-haired devil') has no pride any more. I never thought I would live to see a white man pedalling a trishaw."

When Doris had regained her composure we walked on to Oxford market. Doris said things had not been the same since the second world war. The Japanese had come down the Malay peninsula on their bikes. The British in Singapore had their guns pointing the wrong way.

### A trishaw in England is just one more example of how the world is changing

"We thought the British would always be there but suddenly, they were defeated." Doris did not like the Japanese. Two Eurasian relations were carried off to work on the Burma railway, never to be seen again. A Japanese soldier made off with Doris's Raleigh bicycle. Still, the Japanese had put a large puncture in British colonial invincibility.

Doris prodded the vegetables and smelt the fruit. She inspected the eyes of the fish and argued with the vendor about their freshness. At a market café we ate sausage rolls, one of the few pieces of English cuisine Doris finds acceptable.

I said seeing a trishaw in England was just one more example of how the world was changing. Singapore is a wealthy place. For the price of a flat there or in Hong Kong you could buy up a whole street in Oxford. The only difference between trishaw riders in Singapore and Oxford is that over there they are probably paid a lot more. Many have mobile phones.

Goh Chok Tong, Singapore's prime minister, runs a country the size of the Isle of Wight but earns about five times the salary of John Major. Goh is proud of the new wealth of his citizens. In Australia he says Singaporeans are called birds. "They go into shops and are always saying 'Cheap, cheap'."

Doris is unconvinced. The idea that the west is rich and the east is poor is deeply ingrained. As she indulges in a second sausage roll while at the same time voicing concern about the lunch menu, I attempt to widen the discussion.

Perhaps the presence of trishaws is also evidence of the continuing globalisation of culture. Most English high streets are a depressing repetition of each other. The same shops and building societies, the same fast food outlets and hanging flower baskets.

The pattern is now being repeated on a global scale. A shopping mall in Dumfries looks very much like the ones in Delhi or Dunedin.

Last year I was in a sandwich shop in Milton Keynes. Within 24 hours I was in another in Hong Kong. The bread was the same, so were the fillings on offer. For a moment I thought the girl behind the counter had flown over with me. It was all a little unnerving.

"The trouble with you is you have wind in the head," said Doris. "What have sandwiches got to do with trishaws?"

The point is that if the same food and shops and hotels can be transplanted round the world, why not methods of transport? Camels on the M25, lamas on the périphérique. You could experience the world on your doorstep.

Each country could build replicas of global tourist sights. Cities could be recreated locally. Rome and Bangkok would be built outside Pontefract. King's Lynn could be replaced by San Francisco.

I said Singapore had already attempted such schemes. The island is littered with theme parks. "I once told a Singaporean taxi driver I was hoping to visit China. 'Why go there?' he asked me. 'It's dirty. Just go to the Tang village here, it's much better - and cheaper'."

Doris was ignoring me. Her thoughts were firmly on the next meal. "The trouble is everything is so mixed up you don't know where you are anymore," I said. "You have never known where you are," said Doris. "Now, what about lunch?"

Michael Thompson-Noel

## Bridge over troubled water

Labour's dynamic leader plans to take the millennium by storm

are known in the innermost circles, are Brown's sinister advisers. What they had done, or what they had said, I do not know, but it must have been serious.

For several years, one of my other companies, Party Animals, has struggled night and day to turn the Labour party into a... party party. On Labour's behalf I have organised high-profile, media-friendly events (especially parties) so as to create by association a trendy, lauded, votable image for Labour.

It has been difficult. But I believe I have succeeded. The polls tell the story. To borrow a happy phrase

from Australian horse racing, Tony is home and hosed.

Which is how I came to be addressing Labour's key election committee. For months I have lectured it on the need to commit Labour to the notion of a *coup d'état* with which to mark the millennium. After all, Labour will be in power on New Year's Eve, 1999, not the Conservatives, whose deputy prime minister, Michael Heseltine, has produced a mere *coup d'aile* (a flap of the wings) with which to celebrate the millennium. Heseltine is masterminding a dank-sounding millennium exhibition at Greenwich, downriver from

central London, at a cost of £360m.

The poverty of Heseltine's imagination was something I emphasised as the drabness on Labour's key election committee grilled me this week.

"What are you proposing we lend our names to?" one of them asked. "A soaring bridge," I replied. "From London to New York. The technology's easy. The structure will dangle from geo-stationary satellites. It won't really be a bridge, of course - more like a vacuum-tube that looks like a bridge. People will sit in giant pellets - we'll find a better word - and be whisked through the vacuum-tube at six

times the speed of sound.

"And the politics are compelling: a 21st century construction linking Britain, on Europe's periphery but by no means peripheral, not under Tony, to the world's only superpower. I firmly believe that the titanic loss of confidence and affection America has suffered in the eyes of the world because of the Atlanta Olympics will be only a memory by 1999. America will be cool once more, just like Tony."

"Cost?" demanded a voice.

"£350bn. Britain's half will be financed by its national lottery, which is conjuring a comet's tail of money apparently out of hyper-







# Weekend Investor

Wall Street

## What a difference a Dow makes

A fortnight ago, it was tumbling. Now it is racing skywards, reports Richard Waters

What do you call it when share prices tumble? Back in October 1987, it was known as a "crash". It certainly felt like one at the time, although subsequent events suggest that the October rout was no more than a brief interruption in a long bull market. Viewed from this distance, it is now often referred to as the 1987 stock market "break". In October 1990, on the other hand, the market hit a bump which came to be referred to as a "correction".

So what just happened in July 1996?

It seems hard to believe that, just two weeks ago, the leading US stock market indices were labouring under their biggest percentage falls in nearly six years.

A surging US economy was thought to be pushing up against the limits of non-inflationary growth, putting pressure on the Federal Reserve to raise interest rates. And, after four years of remarkable profits growth, US companies were said to be running out of steam.

That was the theory. By yesterday lunchtime, however, the Dow Jones Industrial Average - made up of 30 leading stocks - was getting back within spitting distance of its all-time high. And the bond market was in better shape than it has been since April, a sure sign that concern about inflation and higher interest rates has subsided again.

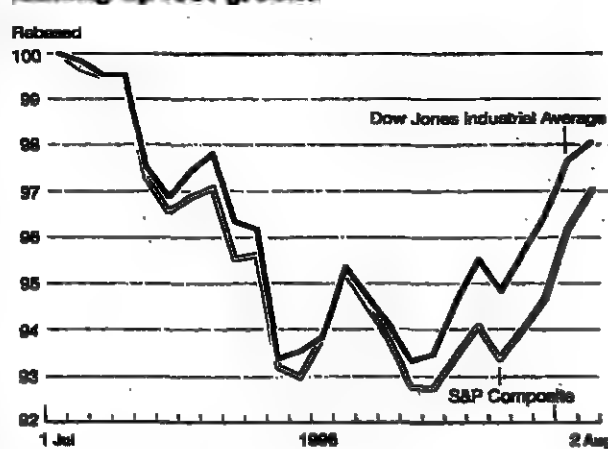
What happened in July hardly deserves to be known as a correction: more of a pothole, capable of delivering a nasty jolt but soon forgotten. Perhaps it should be called the Blip of '96.

The change of mood began to set in as US companies reported their half-year results around the middle of the month. There were few nasty surprises, although the stellar profits growth of the early 1990s has given way in 1996 to steady, unspectacular advances.

The change of heart really took hold this week, though, as a batch of economic data emerged that seemed to show the US economy was cooling off of its own accord and might not need the Fed's interfering hand after all.

That culminated in yesterday's news that "only" 193,000 jobs had been created during July - hardly insignificant, particularly when compared

Making up lost ground



Source: Datastream

with the difficulties Europe is having creating jobs, but well below the average of 265,000 jobs a month created in the US in the second quarter of this year.

Since the early spring, the monthly jobs report has developed an ability to roll the financial markets, setting off a number of big one-day falls. Yesterday, however, it resulted in a long sigh of relief and a continuation of this week's rally.

While the stock market took the opportunity yesterday to make up more of its lost ground, though, it is worth noting that the recovery has not been uniform. Rather, it reflects a shift in sentiment that was alluded to in this space last week.

Take the three most widely followed measures of the market: the Dow, the Standard & Poor's 500 (a broader measure of big companies), and the Nasdaq Composite (heavily influenced by the fortunes of technology companies).

By the middle of July, the Dow had fallen around 7.5 per cent from its May high. By early yesterday, it was little more than 2 per cent from its peak.

That is a stronger recovery than seen by the S&P 500. This also fell 7.5 per cent and is now just over 3 per cent off its record. The real loser, though, has been the Nasdaq, which tumbled 16.5 per cent from the top and is still more than 10 per cent short of the summit.

There are two messages in this. One is that the fashion for Internet wonder stocks has passed, a factor which accounts for much of the Nasdaq's fall. But this does not

mean that the technology sector as a whole has fallen into a slough of despond. The biggest companies on the Nasdaq are doing very well: Intel, the country's biggest chip maker, hit a new high yesterday morning while Microsoft and Oracle each climbed to within 2 per cent of their peaks (Microsoft has gained \$11, or 10 per cent, in the past 10 days).

The other message is that investors have tended to favour big, well-known companies, particularly those in industries that are believed to enjoy the prospect of continued growth whatever the overall direction of the US economy.

Among the biggest companies in the Dow, Coca-Cola, Philip Morris and Procter & Gamble each was flirting with its all-time high yesterday. These are among a group of stocks which have come to be known as the new "Nifty Fifty" - a name first given 25 years ago to a list of big companies which seemed to have above-average growth prospects.

The Dow's recent gains, though, have been broader than this. Equally notable, for instance, has been a rebound of companies in cyclical industries, such as General Motors and Caterpillar. If the economy is chugging along happily under its own steam, with little need for the Fed to apply the brakes, then perhaps there is life left in such stocks after all.

Dow Jones Ind Average

Monday	5,434.89	-38.47
Tuesday	5,481.93	+47.34
Wednesday	5,528.91	+46.98
Thursday	5,594.75	+65.84
Friday		

London

## The tide may be on the turn

But there is little to celebrate yet, says Philip Coggan

Sometimes you wonder whether it is all worthwhile. After seven months of trading, the FT-SE 100 index ended July at 3,703.2, fewer than 14 points above its end-1995 level.

Admittedly, the All-Share managed to do a bit better, with a rise of nearly 2 per cent over the same period. But it does seem a lot of activity for very little reward.

Of course, it has made a considerable difference if you have picked the right stocks. Those who bought GKN and Ladbroke earned 28 per cent apiece; holders of British Gas and BT rose 24 and 25 per cent respectively.

The recent period of low inflation and subdued growth has presented a new set of problems for managements. No longer have they been able to rely on strong demand and rising prices to give their sales figures an annual lift.

One sector that has been hit particularly hard is chemicals.

Royal Dutch/Shell this week

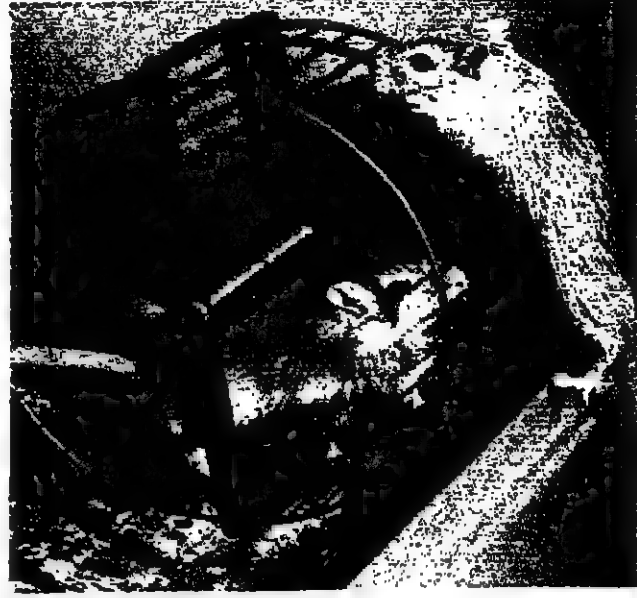
blamed weak demand for a slump in its chemicals profits, while Hanson is implementing a worldwide retrenchment at its chemicals subsidiary, SCM.

Another sector to lag is paper, which has endured a swift boom and bust cycle. Rising prices caused customers to build up stocks. When prices fell again, they simply used up their stockpiles, leading to a slump in demand from producers. Arjo Wiggins Appleton this week indicated that its expectations for the present year have been reduced.

The tide may be turning for industry, however. The UK purchasing managers' index, published on Thursday, showed that the manufacturing sector, which has been in the doldrums recently, is starting to revive. Manufacturing companies had expanded following strong growth in 1994 but a slowdown in the UK and continental Europe left them with an excess of stocks, which they have been working off. The chart shows how the

"industrial cycle" - an aggregation of the building materials, chemicals, paper and packaging and textiles sectors - outperformed the "consumer cycle" (brewing, leisure, stores and construction) during 1994, when the economy was strong. But the gradual slowdown in 1995 and early 1996 pulled down the industrial stocks, while tax and interest rate cuts have finally revived the consumer sector.

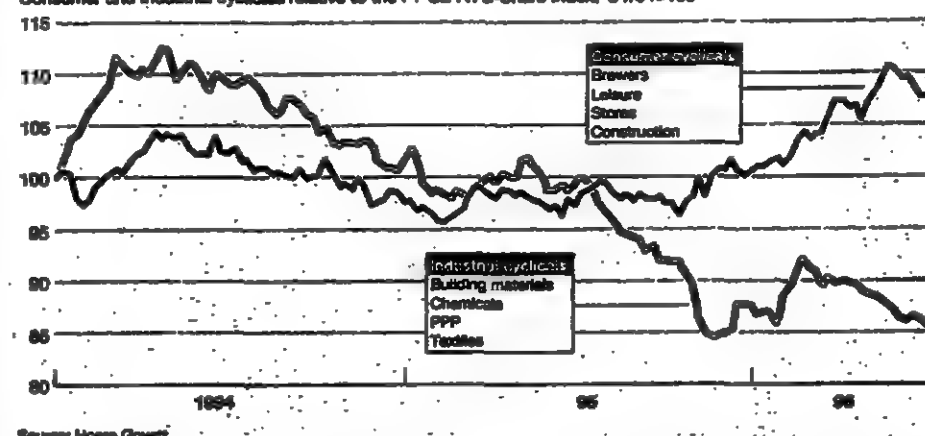
Mark Brown, head of economics and strategy at ABN-Amro Hoare Govett, says there is a case for investing in some of the more cyclical industrials as manufacturing activity revives. "The stock overhang in manufacturing is unwinding and export growth is picking up. Manufacturers will join a sustainable economic expansion; the consumer revival is unlikely to get out of hand, in which case, industrial cyclical can fare relatively well even if the equity market's correction continues. Shares in London spent



A lot of stock market activity for little reward

Time for the tide to turn?

Consumer and industrial cyclical relative to the FT-SE All-Share Index, 1/1/84=100



Source: Hoare Govett

Highlights of the week

	Price	Change	52 week	52 week	
	of day	on week	High	Low	
FT-SE 100 Index	3703.2	+97.3	3687.1	3441.4	Wall St. sectors
FT-SE Mid 250 Index	4286.7	+50.2	4286.6	3925.1	Benetton recovers
Allied Domecq	426	+68	508	419	Carlsberg-Tetley deal
BAT Ind	517	+24	596	471	Figaro plane
Cadbury Schweppes	99	+35	567	468	Takeover speculation
FirstSite	168	+18	181	126	Upbeat annual meeting
Greene King	618	+35	671	554	NadWest "add"
Hilldown	179	+14	201	150	Meeting with brokers
Lloyds TSB	364 1/2	+22 1/2	364 1/2	294 1/2	Shorting of stock in Bank
Lucas TSC	236	+25	236	172	Meeting with brokers
PizzaExpress	422	+30	439	165	Bid hopes
Railtrack	229 1/2	+13	234	205	Income fund buying
Stagecoach	821	+57	858	244	Rail takeover
Thorn EMI	777 1/2	+86	1673	1366	Bid speculation post demerger
Tom Cobiaugh	208	-14	225	173	Bid hopes fade

much of the week following Wall Street, where a series of economic statistics offered clues to whether the Federal Reserve's open market committee would raise interest rates at its next meeting on August 20.

For the most part, the statistics appeared to be benign, particularly the National Association of Purchasing Management report on Thursday which prompted the Dow Jones Industrial Average to climb by 85 points. The series culminated in yesterday's non-farm payroll report for July which confirmed the picture of a growing, but not overheating, economy.

All this helped the FT-SE 100 index rally in the last three trading sessions of the week. It closed yesterday at 3,703.2 for a five-day rise of 2.6 per cent. The Mid-250 index failed to keep pace, managing a 1.2 per cent gain.

Until the next Fed meeting is out of the way, it seems likely that the US market will continue to dominate the mood in London. Last week's meeting between Kenneth Clarke, the chancellor, and Eddie George, governor of the Bank of England, appeared to leave interest rates on hold, with politicians on holiday and many traders pursuing the sun. It is hard to see what domestic news will arrive to shift Footsie out of its 3,650-3,850 trading range.

Caution appears to be the mood for the moment, with traders finding it hard to persuade investors to buy or sell. The value of customer business on Monday, admittedly the day of a London Underground railway strike, slipped

just above £1bn. Institutions seem to have plenty of cash, and their liquidity will have been boosted this week by share buy-back programmes from National Westminster Bank and Thames Water. But Merrill Lynch polls of investment institutions have shown that they are reducing their UK equity holdings.

Some of this column's favourite technical indicators have hardly been encouraging of late. The number of shares making new 12-month lows is regularly outstripping those recording new highs; the ratio on Tuesday and Wednesday, for example, was two-to-one.

Even after this week's rally, declining stocks had still outpaced advancing ones over the 10 trading days to August 1.

July's subdued close means that the Coppock indicator, a measure of medium-term market sentiment, is continuing to decline, indicating that the UK may have moved into a new phase. Coppock gave a buy signal in April 1988 when Footsie was at 3,218.7, and started to turn down at the end of May this year when the leading index was 3,747.8.

It is easy to get too gloomy, of course. The time to buy is often when sentiment is most negative and cash holdings are at their highest. The economy is still expanding, earnings are growing, inflation is subdued, and UK interest rates are unlikely to increase this side of the general election.

Investors may have little reason to fear an apocalypse but, so far this year, they have few reasons to celebrate, either.

Barry Riley

## Mutual funds ride a rollercoaster

In the US, they're all go. In Japan, they're nearly all gone



The contrasts between bull and bear markets are always fascinating. This is especially so when they are proceeding at the same time, as has been true of the divergent price trends in the US and Japanese equity markets since 1990.

Much has been written about the amazing expansion of US mutual funds, the open-ended retail investment pools which are the counterpart to unit trusts in the UK. We hear less about the similarly astonishing contraction of the Japanese equivalents, called investment trusts. These have fallen in total value by an amazing 91 per cent since the start of 1990 when Tokyo peaked.

I am referring here only to the funds which invest in equities. Those similar Japanese funds which invest in fixed interest bonds or money market instruments have held up a great deal better.

The mirror image of this in the US is that the bond and money market mutual funds have done rather badly. In the UK, for historical reasons, about 97 per cent of the unit trust money is in equity funds, anyway, although the introduction of corporate bond Peps (personal equity plans) has given a recent boost to the tiny fixed income sector.

At the beginning of the decade, equity funds in Japan

were worth ¥37,000bn, or about \$250bn in terms of the yen-dollar exchange rate that applied at the time. That set the Japanese open-ended equity funds sector on a par with US mutual funds, then valued at \$249bn. For comparison, British unit trusts were worth \$56bn (or \$60bn) in aggregate.

Now look at today's numbers. The Japanese funds have collapsed in size to ¥3,260bn, as at the end of June. Although they are flattered slightly by the appreciation of the yen against the dollar, they are now worth just 2 per cent of US equity mutual funds, which had a value of \$1,532bn at the end of June, a six-fold expansion. UK unit trusts, meanwhile, have more than doubled in size, to around £125bn (\$200bn).

These dramatically divergent trends can clearly be attributed to the simultaneous bull and bear markets. In Japan, the average annual total return on equities was 21.5 per cent in the 1980s (almost all in capital gains, because dividend income was negligible). Investment salesmen found a ready customer in Mrs Watanabe, the legendary Tokyo suburban housewife and guardian of the family wealth. But the return has been about minus 8 per cent so far in the 1990s. The experience of investment

trust-holders has been significantly worse still because these funds bear heavy costs.

If investors were smart and put their money in foreign, rather than domestic, equity funds, they will have done much better. Nevertheless, they will have lost a large part of their profits because of the

**Funds in Japan have fallen by an amazing 91 per cent since 1990 when the market peaked**

strength of the yen.

In the US, of course, the market has been roaring ahead since late 1990. Boosted by an extraordinary gain of about 35 per cent in 1995, the annual average return during the past 5 1/2 years on US equities has been about 21 per cent. In the UK, it has been 16 per cent or so.

During the first half of 1996, flows into US equity mutual funds broke all previous records by a huge margin: they topped \$25bn net in a month several times and reached almost \$140bn for the six months as a whole.

But the figure dipped in June to about \$15bn, and the investment industry in the US

has been mulling over estimates that one or two weeks of July may have seen net redemptions.

In Japan, the Tokyo market began to recover from mid-1995. It bounced by about 42 per cent in terms of yen in the year to the end of June. But Japanese retail investors appeared to see this recovery only as an opportunity to get out. These days Mrs Watanabe prefers the Post Office. Despite the sharp recovery in the underlying market, the value of unit-type equity investment trusts tumbled by a further 30 per cent in the year to June.

Having rallied to a respectable level, the Tokyo market has been stalled since March and is now threatened by a huge volume of supply. The Japanese government, for instance, is preparing to sell J.R. West, a railway company. The Industrial Bank of Japan has announced a ¥225bn (\$2.1bn) rights issue, which will be only the first of many opportunities to pour new capital into the bottomless black hole that is the Japanese financial system.

The boom and bust of the Tokyo market has highlighted the risks of equity investment which is not underpinned by income. When the capital gains disappear, nothing remains to hang around for; that is why Japan's equity funds industry has shrunk in size by more than 90 per cent although share prices have

declined by only about a third. I would hate to suggest to my friends in the UK unit trust industry that they might ever suffer a similar fate by shrinking from £130bn to £12bn. In fact, the unit trust boom has been fairly moderate in scale rather than a dangerous bubble. And at least many unit trusts can still hope to offer an important element of equity income, although the level is lower than it usually has been in the past and above-average dividend income has become associated recently with high capital risks.

The US mutual fund industry is rather more vulnerable here. Income has become negligible and nearly everybody has been chasing capital gains - especially in the riskiest sector, called aggressive growth. A complicating factor is that US mutual funds have also gained from a long-term shift of personal investment assets into tax-sheltered retirement savings plans. These provide stability. Even so, investors will lose faith unless the capital gains keep coming.

It will not require a crash, just a couple of dull years. But Wall Street this week was not concerned with Tokyo - it was looking at an apparent slowdown in US economic growth.

And if that prospect can send shares higher, the bull market may not be quite dead.

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Offshore managed funds and UK managed funds are listed in Section One

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1. **Project Name:** [Project Name]

## INSURANCES



**FT MANAGED FUNDS SERVICE**

## Money Market Trust Funds

# Funds

	Income	Net Assets	Assets
<b>High Income Corporate Accounts</b>			
Income	1.40	1.40	1.40
Net Assets	1.40	1.40	1.40
Assets	1.40	1.40	1.40
<b>Investment Deposit Fund</b>			
Income	1.40	1.40	1.40
Net Assets	1.40	1.40	1.40
Assets	1.40	1.40	1.40
<b>Income of Church of England</b>			
Income	1.40	1.40	1.40
Net Assets	1.40	1.40	1.40
Assets	1.40	1.40	1.40

# Key Market Accounts

	Income	Net Assets	Assets
<b>Bank LBN</b>			
Income	1.40	1.40	1.40
Net Assets	1.40	1.40	1.40
Assets	1.40	1.40	1.40

[illegible][illegible]

4.00	2.20	2.67	3.00
3.75	2.00	2.50	2.83
4.50	2.40	2.83	3.17
4.25	2.25	2.67	3.00
3.50	1.75	2.08	2.50
3.75	1.90	2.25	2.67
4.00	2.00	2.50	2.83
4.25	2.10	2.67	3.00
4.50	2.25	2.83	3.17
4.75	2.37	3.00	3.33
5.00	2.50	3.17	3.50
5.25	2.62	3.33	3.67
5.50	2.75	3.50	3.83
5.75	2.87	3.67	4.00
6.00	3.00	3.83	4.17
6.25	3.12	4.00	4.33
6.50	3.25	4.17	4.50
6.75	3.37	4.33	4.67
7.00	3.50	4.50	4.83
7.25	3.62	4.67	5.00
7.50	3.75	4.83	5.17
7.75	3.87	5.00	5.33
8.00	4.00	5.17	5.50
8.25	4.12	5.33	5.67
8.50	4.25	5.50	5.83
8.75	4.37	5.67	6.00
9.00	4.50	5.83	6.17
9.25	4.62	6.00	6.33
9.50	4.75	6.17	6.50
9.75	4.87	6.33	6.67
10.00	5.00	6.50	6.83
10.25	5.12	6.67	7.00
10.50	5.25	6.83	7.17
10.75	5.37	7.00	7.33
11.00	5.50	7.17	7.50
11.25	5.62	7.33	7.67
11.50	5.75	7.50	7.83
11.75	5.87	7.67	8.00
12.00	6.00	7.83	8.17
12.25	6.12	8.00	8.33
12.50	6.25	8.17	8.50
12.75	6.37	8.33	8.67
13.00	6.50	8.50	8.83
13.25	6.62	8.67	9.00
13.50	6.75	8.83	9.17
13.75	6.87	9.00	9.33
14.00	7.00	9.17	9.50
14.25	7.12	9.33	9.67
14.50	7.25	9.50	9.83
14.75	7.37	9.67	10.00
15.00	7.50	9.83	10.17
15.25	7.62	10.00	10.33
15.50	7.75	10.17	10.50
15.75	7.87	10.33	10.67
16.00	8.00	10.50	10.83
16.25	8.12	10.67	11.00
16.50	8.25	10.83	11.17
16.75	8.37	11.00	11.33
17.00	8.50	11.17	11.50
17.25	8.62	11.33	11.67
17.50	8.75	11.50	11.83
17.75	8.87	11.67	12.00
18.00	9.00	11.83	12.17
18.25	9.12	12.00	12.33
18.50	9.25	12.17	12.50
18.75	9.37	12.33	12.67
19.00	9.50	12.50	12.83
19.25	9.62	12.67	13.00
19.50	9.75	12.83	13.17
19.75	9.87	13.00	13.33
20.00	10.00	13.17	13.50
20.25	10.12	13.33	13.67
20.50	10.25	13.50	13.83
20.75	10.37	13.67	14.00
21.00	10.50	13.83	14.17
21.25	10.62	14.00	14.33
21.50	10.75	14.17	14.50
21.75	10.87	14.33	14.67
22.00	11.00	14.50	14.83
22.25	11.12	14.67	15.00
22.50	11.25	14.83	15.17
22.75	11.37	15.00	15.33
23.00	11.50	15.17	15.50
23.25	11.62	15.33	15.67
23.50	11.75	15.50	15.83
23.75	11.87	15.67	16.00
24.00	12.00	15.83	16.17
24.25	12.12	16.00	16.33
24.50	12.25	16.17	16.50
24.75	12.37	16.33	16.67
25.00	12.50	16.50	16.83
25.25	12.62	16.67	17.00
25.50	12.75	16.83	17.17
25.75			

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Society Preserves City Arts			
Month	1972	1973	1974
January	4,500	4,800	4,500
February	4,200	3,900	4,000
March	3,800	3,600	3,500
April	3,500	3,400	3,300
May	3,200	3,100	3,000
June	2,900	2,800	2,700
July	2,600	2,500	2,400
August	2,300	2,200	2,100
September	2,000	1,900	1,800
October	1,700	1,600	1,500
November	1,400	1,300	1,200
December	1,100	1,000	900
Total	32,000	30,000	28,000

Robert Fanning

Rate	2.5%	0.000	0.0000
1	4.17	3.33	4.29
2	4.81		4.81
3	5.50	3.33	5.50
4	4.17	3.33	4.29
5	4.17	3.33	4.29
6	4.17	3.33	4.29
7	4.17	3.33	4.29
8	4.17	3.33	4.29
9	4.17	3.33	4.29
10	4.17	3.33	4.29
11	4.17	3.33	4.29
12	4.17	3.33	4.29
13	4.17	3.33	4.29
14	4.17	3.33	4.29
15	4.17	3.33	4.29
16	4.17	3.33	4.29
17	4.17	3.33	4.29
18	4.17	3.33	4.29
19	4.17	3.33	4.29
20	4.17	3.33	4.29
21	4.17	3.33	4.29
22	4.17	3.33	4.29
23	4.17	3.33	4.29
24	4.17	3.33	4.29
25	4.17	3.33	4.29
26	4.17	3.33	4.29
27	4.17	3.33	4.29
28	4.17	3.33	4.29
29	4.17	3.33	4.29
30	4.17	3.33	4.29
31	4.17	3.33	4.29
32	4.17	3.33	4.29
33	4.17	3.33	4.29
34	4.17	3.33	4.29
35	4.17	3.33	4.29
36	4.17	3.33	4.29
37	4.17	3.33	4.29
38	4.17	3.33	4.29
39	4.17	3.33	4.29
40	4.17	3.33	4.29
41	4.17	3.33	4.29
42	4.17	3.33	4.29
43	4.17	3.33	4.29
44	4.17	3.33	4.29
45	4.17	3.33	4.29
46	4.17	3.33	4.29
47	4.17	3.33	4.29
48	4.17	3.33	4.29
49	4.17	3.33	4.29
50	4.17	3.33	4.29
51	4.17	3.33	4.29
52	4.17	3.33	4.29
53	4.17	3.33	4.29
54	4.17	3.33	4.29
55	4.17	3.33	4.29
56	4.17	3.33	4.29
57	4.17	3.33	4.29
58	4.17	3.33	4.29
59	4.17	3.33	4.29
60	4.17	3.33	4.29
61	4.17	3.33	4.29
62	4.17	3.33	4.29
63	4.17	3.33	4.29
64	4.17	3.33	4.29
65	4.17	3.33	4.29
66	4.17	3.33	4.29
67	4.17	3.33	4.29
68	4.17	3.33	4.29
69	4.17	3.33	4.29
70	4.17	3.33	4.29
71	4.17	3.33	4.29
72	4.17	3.33	4.29
73	4.17	3.33	4.29
74	4.17	3.33	4.29
75	4.17	3.33	4.29
76	4.17	3.33	4.29
77	4.17	3.33	4.29
78	4.17	3.33	4.29
79	4.17	3.33	4.29
80	4.17	3.33	4.29
81	4.17	3.33	4.29
82	4.17	3.33	4.29
83	4.17	3.33	4.29
84	4.17	3.33	4.29
85	4.17	3.33	4.29
86	4.17	3.33	4.29
87	4.17	3.33	4.29
88	4.17	3.33	4.29
89	4.17	3.33	4.29
90	4.17	3.33	4.29
91	4.17	3.33	4.29
92	4.17	3.33	4.29
93	4.17	3.33	4.29
94	4.17	3.33	4.29
95	4.17	3.33	4.29
96	4.17	3.33	4.29
97	4.17	3.33	4.29
98	4.17	3.33	4.29
99	4.17	3.33	4.29
100	4.17	3.33	4.29

Rate of interest payable, not  
the deduction of basic rate  
or payable after allowing for  
basic income tax.  
Rate assumed to take

...ing of interest paid other  
Compounded Annual Rate"  
...is which interest is credited to

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**FT MANAGED FUNDS SERVICE**

姓名	性别	年龄	职业	住址	联系电话
张三	男	35	教师	北京市朝阳区	13800138000
李四	女	28	医生	北京市海淀区	13900139000
王五	男	42	工程师	上海市浦东新区	13600136000
赵六	女	31	公务员	广州市天河区	13500135000
孙七	男	25	学生	北京市西城区	13400134000
周八	女	38	经理	深圳市南山区	13300133000
吴九	男	45	农民	河南省郑州市	13200132000
郑十	女	22	护士	浙江省杭州市	13100131000
陈十一	男	33	程序员	广东省深圳市	13000130000
冯十二	女	27	设计师	江苏省南京市	12900129000
朱十三	男	40	律师	北京市东城区	12800128000
徐十四	女	36	会计师	上海市黄浦区	12700127000
马十五	男	29	销售	广州市白云区	12600126000
林十六	女	34	作家	北京市昌平区	12500125000
周十七	男	41	科学家	北京市海淀区	12400124000
吴十八	女	26	模特	上海市静安区	12300123000
郑十九	男	37	厨师	广州市番禺区	12200122000
陈二十	女	32	翻译	北京市丰台区	12100121000
冯二十一	男	23	电竞选手	广东省广州市	12000120000
朱二十二	女	39	心理咨询师	浙江省宁波市	11900119000
徐二十三	男	43	企业家	北京市朝阳区	11800118000
马二十四	女	24	歌手	上海市徐汇区	11700117000
林二十五	男	30	画家	广州市海珠区	11600116000
周二十六	女	35	记者	北京市海淀区	11500115000
吴二十七	男	44	教授	上海市浦东新区	11400114000
郑二十八	女	21	实习生	北京市西城区	11300113000
陈二十九	男	38	项目经理	深圳市南山区	11200112000
冯三十	女	29	产品经理	广州市天河区	11100111000
朱三十一	男	46	退休干部	河南省郑州市	11000110000
徐三十二	女	20	应届毕业生	浙江省杭州市	10900109000
马三十三	男	34	自由职业者	北京市东城区	10800108000
林三十四	女	31	自媒体博主	上海市黄浦区	10700107000
周三十五	男	47	传统手艺人	广州市白云区	10600106000
吴三十六	女	25	网络主播	北京市海淀区	10500105000
郑三十七	男	36	短视频创作者	上海市静安区	10400104000
陈三十八	女	27	直播运营	广州市番禺区	10300103000
冯三十九	男	48	传统行业从业者	北京市丰台区	10200102000
朱四十	女	23	新兴行业从业者	深圳市南山区	10100101000
徐四十一	男	32	数字化转型专家	广州市天河区	10000100000

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- The bond prices published in this edition are  
 - also available at the Financial Times' web site,  
 - <http://www.ft.com>







# Paris investors adopt shareholder value line

**M**ore aggressively than in the past, disgruntled individuals and groups of shareholders drive companies to court by desperate circumstances. A case in point is Eurotunnel, the Channel tunnel rail link operator, and Crédit Foncier de France, the specialist property bank, use their assemblies in June to criticize executives and give a strong show of no-confidence by exercising their votes against board resolutions.

The French government has continued to push forward with its privatisation initiatives, launching the sale of Assurances Générales de France, and relinquishing its control of the car group, Renault.

Mr Davidson predicts that for the end of this year, the CAC-40 will reach 2,200, with reported corporate earnings up 150 per cent (against previous estimates of nearer 400 per cent), and operating profits by a more modest 12-15 per cent.

He argues that investors were initially too optimistic, believing that French companies had taken huge provisions in 1996 and that reported profits would therefore rebound substantially this year.

Mr John Lomax, equities strategist at Merrill Lynch, professes the relative performance of the French economy

ault, while lining up preparations for the sale of part of the capital of France Télécom after its corporate statutes were changed at the end of the year.

Meanwhile, a few shareholders have taken the battle for improved value into their own hands. SBC Warburg, spurred by the similar efforts of a US investor last year, launched critical resolutions for the annual general meeting of CMC in November, claiming that the largely owned by Banque Nationale de Paris. The result was the offer of a buy-out.

**More aggressively**

	Pleas	Faults	Errors	Fines	Points	Saves
British Funds	88	4	8	135	105	5
Other Retail Interest	5	0	14	0	0	0
Mineral Exploration	113	20	74	334	269	41
General Manufacturing	174	81	382	621	628	1,501
Consumer Goods	29	57	14	275	88	0
Services	148	9	294	518	434	1,478
Utilities	16	0	12	81	51	6
Transportation	145	26	215	479	360	1,115
Investment Trusts	279	12	238	705	360	1,751
Others	77	6	88	285	185	32
<b>Total</b>	<b>1,088</b>	<b>227</b>	<b>1,480</b>	<b>4,335</b>	<b>2,562</b>	<b>7,981</b>

Data based on those companies listed on the London Share Service.

[illegible]

8170	F.P.	33.1	187 $\frac{1}{2}$	184	Pasmon	174	+1	-	-	-	27
-	F.P.	0.38	2	1 $\frac{1}{2}$	†Pardum Foods Wks	1 $\frac{1}{4}$		-	-	-	

[illegible]



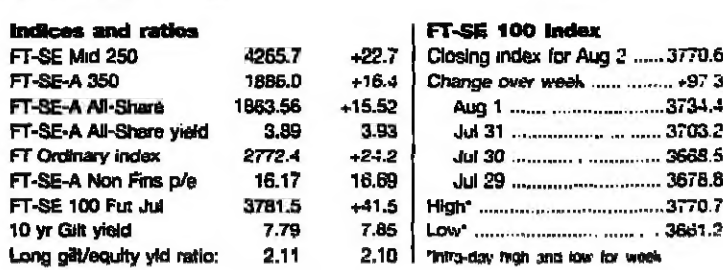




## US rate optimism fuels further Footsie rally

about a change in government and the property sector is seen as a good hedge" he says. "Life assurance companies have reported good new business figures and in the long run, people are being forced to take more responsibility for their pensions." But Mr Jeffrey is more dubious about the attractions of banks and thinks there is a case for switching from these stocks into the life and property stocks.

After some disappointing recent trading sessions, volume yesterday was a more healthy 748.8m shares by the 6pm cutoff, of which 55 per cent was in non-FTSE 100 stocks. The value of retail business on Thursday was £1.64bn.



**Cadbury Schweppes climbed**

# Cadbury bid talk continues

Cadbury Schweppes climbed a further 20 to 838p, on trade of 9.7m, its second heaviest volume this year, on renewed speculation that a bidder was sniffing around the confectionery and soft drinks group.

Analysts said that there had been strong buying of American Depositary Receipts (ADRs) and traders in the UK had been forced to cover their positions.

Earlier this week Oppenheimer, the US broker, published a strongly positive research note on Cadbury Schweppes whose chairman, Mr Dominic Cadbury, recently visited the US as part of the group's investor relations programme.

Analysts were sceptical of the takeover speculation. One analyst said that Cadbury would be a lot to swallow, costing in excess of £2bn to acquire.

Broken cited Unilever as the most obvious potential predator. They pointed out that the Anglo-Dutch group was mostly interested in going into new product areas as a leading player. Cadbury is third in the global carbonated soft drinks industry and fourth in confectionery.

Unilever, which reports second quarter results next Friday, rose 11 to 1258p.

## BT concerns

A combination of competition concerns, plus regulatory worries, gnawed away at telecommunications BT and the shares slipped 4 to 364½p.

Brokers downgraded BT

ABN Amro Hoare Govett. The shares added 7 to 340½, on turnover of 12m.

Motor engineer Lucas Industries continued to make upward progress with a rise of 5 to 826p, extending the recent rally for the shares to 15 percent in five days.

Recent presentations by Lucas have led some analysts to warn noticeably to the group's planned merger with Vauxhall of the US. According to Albert S Sharp, the Midlands-based broker, the enlarged group deserves to move up to a 25 per cent premium to the market.

Elsewhere in the sector, TI Group came off 4 to 521p and Siebe retreated 2 to 882p. GKN closed a penny better at 1007p and added 7 to 411½p.

No obvious stories continued on the stocks. Most brokers cited profit-taking, given the engineering sector's strong performance this year. GKN stood at 76p in January and TI was trading around 425p seven months ago.

Nomura Securities was a modest seller of TI yesterday. The broker was on the bid at the outset, and claimed to find it "very difficult" to dispose of 100,000 shares.

Bargain hunters helped Arjo Wiggins Appleton regain most of the early losses that followed a profits warning from the group.

The company, which released second quarter sales figures, said it had reduced its expectations for the full year, having warned in May that its earnings would be "poor".

Dealers said yesterday's announcement was not a surprise and the shares closed 3½p lighter at 171p, following a heavy trading session that brought volume of 5.5m, the highest daily total for nearly 50 months.

Brokers downgraded BT

that big European rival Deutsche Telekom is about to enter the UK market via cable link-ups. But the real worry yesterday was all about BT's new handset which was the subject of words with regulator, Ofcom.

The shares traded a busy 8.4m, with the equivalent of a further 2.3m passing through the traded options pits.

Mobile phones group Vodafone stayed in demand following news that it was planning to acquire the US carrier T-Mobile USA.

Telecom shares were also under pressure from analyst downgrades and profit expectations, including UBS, the company's broker, which slashed its estimate by 230m to £130m.

US retail banking shares, however, were among the best performing this year, continued to maintain their recent momentum.

Individually, Bank of Scotland, in which BZW this week completed all dealings associated with the recent sale to Citigroup, was one of the top

pany, and a buy note from a group, was among the day's

OPEN FACILITY					
OPEX is a trading facility for those dealing in unquoted companies. Shares traded on OPEX should be considered high risk investments.					
Company	Mid Price	Change on %B (p)	Company	Mid Price	Change on %B (p)
Advanced Media Grp PLC*	198		Purcell Holdings PLC	30	
Audience Resources PLC	0.5		Real Estate Group PLC	120	
Andrews Gold PLC	106		Perfection & Detection	100	
Ascom Village PLC	20		Profr Strategies Grp	143	
Ascom Village PLC	150	-1	Profr Strategies PLC	25	
Assured Civil Contract	37	-250	Ranger PLC	140	-20
Barker Securities	46		Rahgo PLC	2.5	
Barratons Brown PLC	33		Reliance Technology System	3.5	
Barratons Group PLC*	43	+5	Salafina Petroleum PLC	2.5	
Bayview Mutual Res	4.5		Sandown Property Devs	5	-5
Bechtel Railway	50	-30	Sandown Property PLC	60	
Blackburn Holdings PLC	70		Sherratt Limited	1020	
Clear House PLC	12		Sherratt Capital PLC	275	
Comet Minerals PLC	2.73		Sidra Group PLC	28	
Comet Minerals PLC	263		Southern Group PLC	30	
Display-IT Holdings PLC	2.25		South Beach Cos PLC	1.5	
De Bock PLC	125		Sutton Harbour Holdings	130	-10
De Bock PLC	28		Synerize Data Ltd	275	
Derwent Holdings Ltd	12		Terraviva Limited	275	
The Farnham Pub Company	43	-0.50	Thornhill (Scott) PLC	240	
Global Trade PLC	63		Thornhill Group PLC	240	
Groceries Navigation plc	69		Transport Systems PLC	60	
Groceries Shipping	60		Transnet Technologies	100	
Groceries Stores	11		Trustwell Holdings Ltd	70	
Hampshire Company	25		United Business Grp	30	
Hydrex Eilat Et-Tzemet	40		United Business Grp	140	
Isiah Motor Oil	20	+1	View-Cast Europe PLC*	6	
Lagunas Surf Shops PLC	3.5		Visnet PLC	8	
Lean Publishing PLC	150		Washell Ltd	2150	
London Markets Services*	23	-5	Wellington Market Co PLC	38	
Machineries PLC	150		Widgal Gold PLC	25	
Midland Media Corp	46		Worwoodson Int'l Co	30	
Midland Media Corp	130		Worwoodson PLC	30	
Norfolk PLC	40		Worwoodson (Hong) PLC	360	
Northgate PLC	1.5		Wynchell & Chryol Partners	460	+5
Pure People Motors Ltd	23				

\* Listed on 15.03.99 on 02 July 1996

\* Formerly known as: *Other names of these companies:*

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For further information about OPEX please contact the Administrator either on tel: 0171 230 8803 or by our internet web address: <http://www.opecx.co.uk> Please quoted in the advertisement first by 17 January Ltd.

**THE ALL ENGLAND LAWN TENNIS  
GROUND plc ("Company")**

**£2,000 nominal debentures 1996/2000 Series  
("Centre Court Debentures")**

Set out below are the prices and dates of the three most recent transactions in the Centre Court Debentures, as notified to the Company.

The amount of £19,625 has been paid up on the Centre Court Debentures.

**£26,000 (10/07/96); £25,250 (09/07/96); £25,250 (09/07/96)**

**£500 nominal debentures 1997/2001 Series  
("No. 1 Court Debentures")**

Set out below are the prices and dates of the three most recent transactions in the No. 1 Court Debentures, as notified to the Company.

The amount of £27,850 has been paid up on the No. 1 Court Debentures.

**The final instalment of £7,000 is due on 31 January 1997.**

**£4,000 (22/07/96); £4,000 (22/07/96); £3,500 (24/06/96)**

*This advertisement appears as a matter of record only and has been approved for the purposes of section 55 of the Financial Services Act 1986 by National Markets Corporate Finance Limited which is regulated by the Securities and Futures Authority Limited.*

**3 August 1996**

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## BLUE BLOOD FOR SALE

UK farmers fear 50,000 more animals could be killed

# Germans protest at plan to ease British beef ban

By Deborah Hargreaves and John Kampfer in London, Neil Buckley in Brussels and Judy Dempsey in Bonn

German farmers took to the streets in several German cities yesterday to protest against the European Union's plan to ease the worldwide ban on British beef exports.

The Union Jack was burned in the northern town of Husum in Schleswig-Holstein as farmers vented their anger. Their action follows the revelation on Thursday that British scientists believed BSE - or "mad cow" disease - could be transmitted from cows to their calves.

Mr Gerd Sonnenleitner, president of the Bavarian Farmers' Association, said for some time Brussels had "misled and covered up" about BSE, adding that farmers would have to pay dearly for such policies. The association estimates Bavarian farmers will have lost DM600m (\$405m) in income as a result of falling consumption and prices.

Meanwhile, the call by

Mr Franz Fischler, the EU agriculture commissioner, for the UK to reconsider its slaughter policy sparked fresh anger against the European Union among many British Eurosceptic MPs yesterday.

Some Conservative right-wingers called for the tactic of non-cooperation with the Brussels decision-making process, which the UK government employed briefly during the spring, to be re-applied. Opposition parties accused Mr Douglas Hogg, UK agriculture minister, of withholding information from parliament and suggested his job was in jeopardy.

British farmers believe that if Brussels calls for the slaughter of the most recent calves born to cows with BSE, the cull could be extended from 147,000 cattle to between 177,000 and 197,000 animals. The most recent calves have been shown to be those most likely to contract BSE.

Mr Fischler has stopped short of urging the UK to cull more cattle, but told Britain to "consider the need for expanding the

slaughter programme" in a letter to Mr Hogg.

Mr Fischler warned Mr Hogg that the new evidence about maternal transmission threw into question the framework for lifting the four-month-old global ban on British beef exports. The framework was agreed at June's summit of EU leaders in Florence, after a campaign of disruption of EU business by the UK.

The tightly-worded letter made clear the commissioner's concern about the scientific research. He called it a "disappointing setback which risks complicating the whole discussion about BSE".

Mr Fischler sent the letter on Thursday night, after UK scientists revealed that experiments over six years pointed to mad cow disease being passed from mothers to calves at the rate of 1 per cent. "The information on the possibility of a significant level of vertical transmission, although preliminary, may have implications for the selective slaughter programme and therefore for the framework programme agreed at the Florence summit," he wrote.

## Frankfurt bank hits at UK hopes for Emu gains

By Andrew Fisher in Frankfurt and Gillian Tett in London

London would gain an unfair advantage over Frankfurt and Paris if British-based banks won equal access to the euro payments system after the UK had chosen to opt out of European monetary union, a leading German bank economist said yesterday.

Mr Hermann Rempesberger, the chief economist at BHF-Bank in Frankfurt, also warned that participation of non-Emu banks in the Target payments system could undermine monetary policy for a future European central bank.

In one of the first comments on this issue from a leading German bank, Mr Rempesberger says in BHF's latest economic report: "If extra liquidity in euros was provided for non-Emu banks, European monetary policy would suffer."

He says Britain is pushing for its banks to be fully involved in Emu, even if the government decides to opt out. "With a view to securing London's position as a financial centre".

But it would be "very questionable" if the clearing of euro payments was structured so that the leading gateway to the euro currency area was outside it.

Mr Rempesberger adds: "In effect, the policy would be made in Frankfurt and the profit would be made in London. Even the biggest supporters of Emu on the Continent cannot be expected to be that charitable."

He says potential UK participants therefore wanted a euro payments system that benefited Emu "ins" more than the "outs". This deserved support, "especially as fundamental business interests are at stake for the German banks".

The issue reflects the French and German wish that British banks should not derive competitive advantage from the UK's likely non-membership of Emu.

If British banks had access to Target on the same terms as Emu banks, they could offer clearing facilities across Europe as cheaply and quickly. In this case, customers outside the EU would probably enter the euro area mainly through London, which would reap the profits.

Not all German economists said it was not appropriate in a time of liberalisation and free capital movements to erect barriers through a payments system. The German and French arguments are strongly refuted in London, where the threat to restrict access to Target has provoked deep unease. Some UK officials and bankers may raise the issue with Brussels in the autumn, arguing that restrictions would be a breach of single market legislation.

## Seoul offers easing of finance markets in bid to join OECD

By John Burton in Seoul

South Korea yesterday offered to liberalise its tightly-regulated financial market in a bid to join the Organisation for Economic Co-operation and Development this year.

The concessions include lifting the ceiling on share purchases by foreigners, an easing of restrictions on lending by foreign banks to Korean companies and greater access to the local bond market.

The OECD recently demanded that Korea produce a firm schedule for liberalisation in those areas before it decides in September whether to accept Seoul as a member. Although the latest proposals meet some of the OECD's requirements, it is uncertain whether they will be enough.

The main points of the revised market-opening plan include:

- Bond market - foreigners will be allowed to invest in unsecured convertible bonds issued by large domestic businesses from 1998. But the full opening of the bond market will not be allowed until the wide gap between Korean

and overseas interest rates is narrowed to 2 percentage points from its current 6.7 percentage points.

Seoul has been concerned that an early opening of the bond market with high interest rates would attract a huge influx of foreign capital that would increase inflationary pressure and strengthen the currency, to the detriment of Korea's export industry.

However, OECD officials have said they will not accept a market-opening schedule based on Korean preconditions and want a firm deadline.

● Foreign share purchases - the limit on the acquisition of shares in a Korean-listed company by an individual foreign investor will be raised from 4 per cent to 10 per cent by 2000. The OECD regards the current ceiling as a barrier to foreign takeovers.

Seoul said it would maintain its ban on hostile takeovers by foreign investors, although friendly acquisitions would be accepted. It will retain the right to approve the foreign purchase

of Korea's 70 largest companies, capitalised at \$2.5bn or more.

● Foreign bank lending - a ban on the domestic use of foreign bank loans by Korean companies will be abolished once the interest rate differential falls to two percentage points. Quotas on share issues by Korean companies in foreign equity markets will be ended in 1999.

Seoul will abolish in 1998 its requirement that Korean companies must finance 30 per cent of big overseas investment projects from domestic sources. The rule, introduced last year, was meant to deter foreign investment by raising capital costs.

Seoul will also ease slightly controls on capital transfers from foreign companies to their subsidiaries in Korea. Tight restrictions on such capital transfers are regarded by the OECD as a significant barrier to foreign investment in Korea.

Under the new proposals, foreign subsidiaries will be allowed to borrow long-term loans from their parent companies for the import of capital goods.

## US and Japan agree semiconductor deal

Continued from Page 1

market. It claimed government intervention defeated the market mechanism and ran counter to World Trade Organisation rules.

The world forum was a Japanese initiative, recognising demands from the EU that it be included in any deal to succeed

the US-Japan semiconductor arrangement which expired on Wednesday. EU officials say European companies have been disadvantaged by the bilateral pact, which encouraged US and Japanese joint projects.

The US appeared to get little from the deal, although officials presented it as "a transitional

arrangement" for an industry which is increasingly globalised.

However, US President Bill Clinton was enthusiastic. "Frankly, I am elated that we got a semiconductor agreement," he said. "I know that the people in [the semiconductor] industry in America... are very happy today."

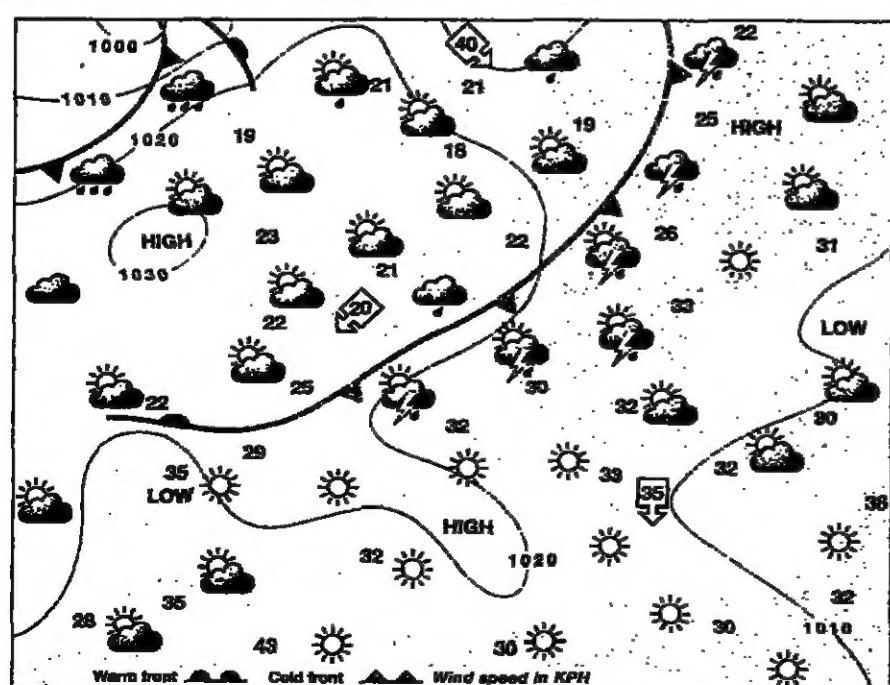
## FT WEATHER GUIDE

### Europe today

There will be thunder storms along a front from southern France to Russia. Showers may be heavy over the Alps with gusty winds and probably hail. It will be sunny south of the front although scattered cloud will occur over northern Greece and the southern Balkans. Northern France and the Benelux will have sun interspersed with scattered broken cloud. Showers will reach the south coast of Norway but the interior will stay dry. High pressure will promote sunny intervals and dry conditions across England and Wales. Northern Ireland will be cloudy and Scotland will be cloudy with patchy rain or drizzle.

### Five-day forecast

Thunder storms will diminish over the Alps tomorrow as sunny periods become more frequent. Showers will form over southern France and thunder storms will develop after the weekend. These storms will move north, giving thunder across the Benelux and Germany on Tuesday after a sunny and warm Monday. Rain will linger across Northern Ireland and Scotland but will move quickly eastwards, reaching the continent during Wednesday.



### TODAY'S TEMPERATURES

Location	Max	Min
Abu Dhabi	31	24
Accra	31	24
Algiers	31	24
Amsterdam	20	14
Athens	33	26
Atlanta	31	24
B. Aires	23	16
Bham	21	14
Bangkok	35	28
Barcelona	27	20

Location	Max	Min
Cairo	32	25
Cardiff	19	12
Casablanca	28	21
Chicago	27	20
Cologne	26	19
Dakar	30	23
Dallas	37	30
Delhi	31	24
Dubai	32	25
Dublin	19	12
Durham	29	22
Edinburgh	15	8
Faro	32	25
Frankfurt	20	13
Geneva	24	17
Glasgow	22	15
Hamburg	19	12
Helsinki	28	21
Hong Kong	32	25
Honolulu	33	26
Istanbul	30	23
Jakarta	31	24
Jersey	20	13
Karachi	31	24
Kuwait	37	30
L. Angeles	28	21
Las Palmas	28	21
Lima	28	21
Lisbon	28	21
London	25	18
Luxembourg	25	18
Lyon	17	10
Medina	31	24
Madrid	29	22
Manila	31	24
Mexico City	33	26
Miami	33	26
Melbourne	33	26
Moscow	21	14
Montreal	21	14
Mumbai	31	24
Nairobi	29	22
Naples	29	22
New York	27	20
Niagara	27	20
Nicosia	31	24
Oso	21	14
Paris	25	18
Perth	25	18
Prague	21	14
Rangoon	31	24
Reykjavik	12	5
Rio	31	24
Rome	32	25
S. Francisco	33	26
Seoul	33	26
Singapore	33	26
Stockholm	22	15
Strasbourg	24	17
Sydney	25	18
Taipei	31	24
Tokyo	31	24
Toronto	24	17
Vancouver	21	14
Vienna	27	20
Warsaw	22	15
Washington	28	21
Wellington	10	3
Winnipeg	10	3
Zurich	23	16

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# FINANCIAL TIMES

Weekend August 3/August 4 1996

## LEGAL DEFINITIONS

Key money is 1 the cost of boarding one's yacht  
2 expenses incurred in changing locks (usu. after burglary) 3 premium paid by an incoming tenant for premises. See ROWE & MANN LLP 0171-548 4282

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## THE LEX COLUMN

### Job joys

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Life off the US farm is looking calmer than anyone could have believed a month ago. Indeed, the statistics released from the US yesterday suggest an enticing cocktail of economic influences: robust growth, and subdued inflationary pressure, as demonstrated by declining average hourly wages. This augurs well for nervous federal managers. The odds on the US Federal Reserve cutting interest rates this month must have fallen comfortably below 50 per cent. After all, the Fed is data-driven, and the latest figures round looks unequivocally benign.

While this argues for a welcome period of calm for world markets, one set of healthy figures does not mark a trend. Interest rate jitters are certainly not over. However, the greatest fear should not be rate rises. Such an expectation is already written into bond and equity prices. The real worry is that evidence of a strong economic pick-up could emerge before the Fed makes a move, causing Mr Alan Greenspan, the Fed's chairman, to have to slam on the brakes rather than just fine-tune. However, the Fed tends to err on the side of caution, so a precautionary rate rise towards the end of the year still looks inevitable.

The US markets are likely to mark time on yesterday's news, although a continuing flight to quality will flatter the blue-chip Dow Jones Industrial Average. But European and Asian equities should fare better. Continental European markets offer the prospect of interest rate cuts, while the restructuring that has driven US profit margins is only just beginning there. Freed from the gravitational pull of a tumbling Dow, there is scope for recovery.

### Scania

Scania's flotation looks impeccably timed. When Sweden's Wallenberg empire sold a 55 per cent stake in the heavy truckmaker in April it was on the back of a 10 per cent rise in first-quarter sales. Order intake was flat and the group was winning market share in Europe. How rapidly things change. Yesterday's half-year results revealed that second-quarter sales were down 12 per cent, orders fell 8 per cent and Scania expects its European market share to slip from 16 per cent as it phases out the 3-series truck. It has been discounting. Profits for the first half of the year fell a disappointing 25 per cent, though the group blamed problems in Brazil, a stronger Swedish krona and the launch costs of its new 4-series.

So far, the share price has taken the

has slipped as the big Scandinavians have cranked up investment. This market faces a 35 per cent increase in capacity over the next few years and Arjo should consider getting out. It also faces problems in carbonless paper. In the US this highly profitable market has started to decline in Europe. Arjo's older, smaller mills are being overtaken by the competition. Only the paper merchanting arm looks solid. But despite those difficulties, Arjo is warning the City not to expect much from the results of Mr Mellin's strategic review next month. Its investors deserve better.

### Lloyd's of London

How difficult should it be for Lloyd's of London underwriting syndicates to merge? Yesterday one managing agent, Murray Lawrence Group, pushed through a plan to combine its syndicates. But another, Bankside, has given up in the face of opposition from Names. The question matters because many believe syndicates need to consolidate if Lloyd's is to keep its competitive edge.

They have a point. True, there is not much of a case for mergers on efficiency grounds: syndicates do not run big back offices and, on the whole, the current merger proposals involve pooling syndicates' capacity, not rationalising operations. Nonetheless, larger syndicates should clearly be better placed to win bigger chunks of business. They should also be able to make better use of underwriting capacity, having a broader range of business to which it can be applied.

The snag is that those who provide the capacity - Names and corporate capital providers - have to weigh these advantages against a real disadvantage: less freedom to allocate capacity where they choose. Not surprisingly, Names who have picked good syndicates are reluctant to see them merge with ones they rate less highly. And Names' freedom to shift from one syndicate to another is an important discipline on underwriters.

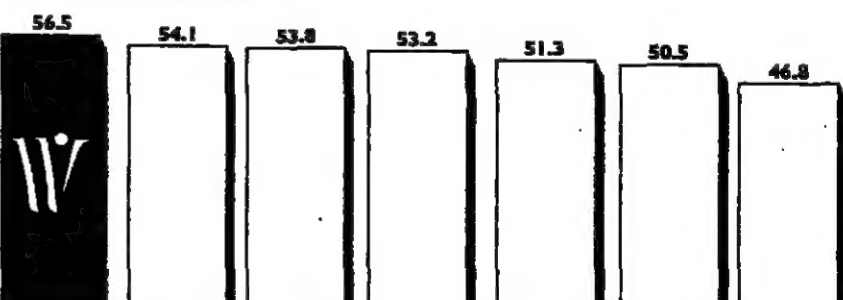
Lloyd's is clearly right, therefore, to have tightened up the rules so mergers now need a vote of at least half a syndicate's capacity. But if anything, the worry is that Lloyd's has veered too heavily in Names' favour, by setting a tougher test for votes coming from underwriting capacity controlled by managing agents - some of which are themselves providing capacity. This is rather like, say, depriving a company's management of the right to exercise votes on their own shareholdings. It is unfair and should be changed.

## CONSISTENT OUTPERFORMANCE

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